

Report to Cabinet

20 July 2022

Subject:	Provision of accommodation-based housing related support for adults at risk of becoming homeless contracts
Cabinet Member:	Cabinet Member Adults, Social Care and Health Cllr Suzanne Hartwell
Director:	Director of Adult Social Care Rashpal Bishop
Key Decision:	Yes Aggregated value of the 4 contracts exceeds £250k
Contact Officer:	Operations Manager Complex Commissioning Justin Haywood Justin_Haywood@sandwell.gov.uk Commissioner, Craig Stevens Craig_Stevens@sandwell.gov.uk

1 Recommendations

- 1.1 That approval be given for an exemption to be made to the Council's Procurement and Contract Procedure Rules and to authorise the Director of Adult Social Care to directly award four separate short-term contracts for accommodation-based housing related support for adults at risk of becoming homeless for a period of 9 months (2 November 2022 to 1 August 2023) for a combined value of £632.8k.



Contract	Provider	Service area	9 Month Contract Value	Contract End Date
1	Midland Heart	Generic Adults	£172.1k	1 Nov 2022
2	Trident	Generic Adults	£157.5k	1 Nov 2022
3	Green Square Accord	Generic Adults	£109.4k	1 Nov 2022
4	P3	Safe place to stay and assess	£193.8k	1 Nov 2022
Total			£632.8k*	

*Please note VAT does not apply as all four organisations are Charites

2 Reasons for Recommendations

2.1 Summary

2.2 This report is seeking the approval for an exemption to Council Procurement and Contract Procedure Rules to directly award four separate short-term contracts, under the Light Touch Regime (LTR) for Accommodation based housing related support for single homeless for a 9-month period from 2 November 2022 to 1 August 2023 as detailed in the table below

Contract	Provider	Service area	9 Month Contract Value	Contract End Date
1	Midland Heart	Generic Adults	£172.1k	1 Nov 2022
2	Trident	Generic Adults	£157.5k	1 Nov 2022
3	Green Square Accord	Generic Adults	£109.4k	1 Nov 2022
4	P3	Safe place to stay and assess	£193.8k	1 Nov 2022
Total			£632.8k*	

*Please note VAT does not apply as all four organisations are Charites



- 2.3 The purpose of this request to Cabinet is to facilitate the alignment of all current Supported Housing services to a common expiry date being 31 July 2023 to allow retendering of a Supported Housing framework.
- 2.4 Aligning the end dates for these six contracts will allow them to be reviewed collectively for the first time to allow any potential cost/efficiency savings to be identified and built into a new single remodelled and formally procured service from August 2023.

2.5 Background

- 2.6 There are currently six contracted services for accommodation-based housing related support for people at risk of becoming homeless which sit within Adult Social Care, these services may also be known as Supported Housing Services. These contracts are:

Contract	Provider	Service area	Annual Value	End date
1	Midland Heart	Generic Adults	£229.5k	1 Nov 2022
2	Trident	Generic Adults	£209.8k	1 Nov 2022
3	Green Square Accord	Generic Adults	£145.8k	1 Nov 2022
4	P3	Safe place to stay and assess	£258.4k	1 Nov 2022
5	Sharp	Teenage Parents	£171.9k	31 July 2023
6	CHADD	Young Families	£39.611k	31 July 2023

- 2.7 Historically services have been reviewed, remodelled and recommissioned individually and in clusters of 2 – 4 which have delivered service improvements/savings.
- 2.8 These six services have never been reviewed together previously and doing so will allow cost/efficiency savings to be identified and built into a new single remodelled service from August 2023.
- 2.9 To enable these six services to be reviewed and remodelled collectively the end dates of the contracts need to be aligned allowing the services in the new single model to be commissioned together



2.10

2.11 In order to align the six contract end dates to 31 July 2023 there are four contracts which expire 1 November 2022 with no option to extend that require new contracts for a period of 9 months for a continuation of existing services.

2.12 This paper seeks approval for an exemption to the Council's Procurement and Contract Procedure Rules to directly award four new contracts to the current service providers for a continuation of existing services to allow the review of these together with the other Supported Housing services.

2.13 This review will be carried out in partnership with Housing Solutions and Sandwell Children's Trust.

3 How does this deliver objectives of the Corporate Plan?

	Best start in life for children and young people Services do accommodate young adults at risk of becoming homeless over the age of 18
	People live well and age well The Services offer support to individuals who are at risk of becoming homeless supporting them to develop skills and tackle barriers they have to move to a sustainable tenancy
	Strong resilient communities The services are a homeless prevention offer and support individuals to develop skills and overcome barriers
	Quality homes in thriving neighbourhoods The services offer temporary accommodation and support people to find a permanent tenancy which they are able to sustain
	A strong and inclusive economy Services support individuals to develop skills to help them with future employment

4 Context and Key Issues

4.1 Procurement Implications

4.2 Corporate Procurement have been consulted and support the proposals contained within this report.



- 4.3 Whilst it has been confirmed that this approach is consistent with the Council's Procurement & Contract Procedure Rules there is always a potential risk that another provider could challenge the decision on the basis that they would want the opportunity to provide the contract or contracts being awarded.
- 4.4 Given that in the past, interest from the market in delivering these services has been extremely low and that no provider is likely to want to bid for a 9 month contract, requiring them to set up a supported housing service, find suitable units of available accommodation, transfer clients from the existing provider for 9 months after which there would be another procurement process to put the Supported Housing contracts on a long term footing the risk of any challenge is extremely low.
- 4.5 The impact of that challenge would be similarly low as drawing up these proposals, officers have sought advice from both Corporate Procurement and Legal services to ensure that the approach proposed is in line with the Council's Procurement & Contract Procedure Rules.

4.6 Legal Implications

- 4.7 Legal Services have been consulted and support the proposals outlined in this report.
- 4.8 Although these are four mutually separate contracts with four separate providers, when aggregated the four contracts do exceed £250k and therefore it was decided necessary to seek Cabinet approval should these be preserved as a combined exemption.
- 4.9 Legal Services have been consulted and they have indicated that as the total value of this procurement (£632.8k) is below the relevant threshold for Light Touch (£663,540), it is not caught by the Public Contracts Regulations 2015, save for the need to advertise the award of the contract on the Government's Contracts Finder portal. The Council's Procurement and Contract Procedure Rules 2018-2019 would also need to be adhered to. An exemption to Rule 8.7 of the Council's



Procurement and Contract Procedure Rules would need to be secured to waive the requirement to obtain a minimum of three tenders.

4.10 Financial Implications

4.11 The funding for the exemption recommended in this report will come from the current Supporting People programme budget which sits within Adult Social Care.

4.11 There are no additional financial pressures to the Council due to the request or approval of this Exemption request.

4.12 There are no inflationary increases planned for these 9 month contracts

4.13 Risk

4.14 **Risk that one of the four existing providers decides not to take up the offer of a Direct Award**

4.15 If this were to happen the Council would first look to the other 3 providers to provide additional units of accommodation to meet the gap. Failing that, referrals to that provider would cease and the provider would be asked to focus on supporting their existing clients to find permanent tenancies up to the end of their current contract November 2022. The Council would then run with reduced capacity through to August 2023.

4.16 Anyone not able to be placed in Supported Housing service during this period would be referred to Housing's Homelessness pathway.

4.17 The current providers have been consulted and have indicated they are willing to sign the contracts.

4.18 Risk of poor performance by one or more of the providers

4.19 The current contracts have been running for 4 years with no breaches of contract to any of the four providers



4.20 Contracts are monitored through outcome workbooks, quarterly contract meetings and satisfaction surveys with service users

5 Alternative Options

5.1 **Option 1** – To extend the current contracts rather than directly award new ones.

5.2 This is not an option as the current contracts are for a set period with an end date of 1 November 2022 with no option to extend further, therefore, new contracts are for a continuation of service.

5.3 **Option 2** – To conduct a procurement exercise for the 4 short term contracts.

5.4 The services come with significant set up costs regarding the provision of the accommodation, therefore, it would not be financially viable for a new provider to deliver the service for 9 months only to go through another procurement exercise to commission a holistic framework for supported housing a few months later. This would have a significant impact on council procurement and contracting resource as well as demonstrate very poor value for money for the Council.

6 Implications

Resources:	The funding will come from the existing Supporting People programme budget held by Adult Social Care
Legal and Governance:	Legal have been consulted and support the recommendations outlined in this report
Risk:	Risks have been reviewed and mitigations commented upon earlier in this report
Equality:	Equality impact assessment has been completed and found to have no differential impacts to those from or with protected characteristics
Health and Wellbeing:	If approved the continuation of existing services will ensure no changes to the current provision.
Social Value	The exemption allow for a continuation of services while the review and remodel is completed.



7 Appendices

Appendix A – Equality Impact Assessment
Appendix B – Risk Register PRIVATE

8 Background Documents

None

