

**NORTH SOMERSET COUNCIL  
DECISION**

**DECISION OF: DIRECTOR OF PEOPLE AND COMMUNITIES  
WITH ADVICE FROM: HEAD OF COMMISSIONING  
DIRECTORATE: PEOPLE AND COMMUNITIES**



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**DECISION NO: PC55 SCHEME 2018/19**

**SUBJECT: SHORT-TERM AWARD OF ACCOMMODATION BASED HOUSING WITH  
SUPPORT CONTRACTS**

**KEY DECISION: YES**

**BACKGROUND:**

The Accommodation Based Housing Related Support services provide short-term accommodation support to vulnerable people to maintain or develop capacity to live independently. Housing Related Support includes a range of aspects including: budgeting, paying the rent on time, help to deal with specific problems such as tenancy issues, liaising with council, government or health services, finding local services, training or jobs, adapting a home for disability or finding an alternative home. It also helps with signposting to a range of specialist services. These services are delivered by 8 providers and supply 192 bed spaces.

The key service user groups supported by these services are:

- Homelessness
- Mental Health
- Learning Disabilities
- Substance Misuse
- Young People – including Care Leavers and Teenage Parents

**DECISION:**

- To agree a short-term (6 months) direct award of the Accommodation Based Housing with Support Contracts, from 1<sup>st</sup> January 2019 to 30<sup>th</sup> June 2019, to the following organisations: Alabare Christian Care (02604011), Salvation Army Housing Association (IP15210R), Curo Group Ltd (4302179), Elim Housing Association (02399633), LiveWest Homes Ltd (RS007724), Richmond Fellowship (662712), Sanctuary Housing (02245594) and Home Group (22981R).
- To agree minor variations to the existing Contracts in relation to payment clauses, monitoring and referral arrangements.

## **REASONS:**

It is strategically important that we have enough time to plan and develop a Contract that allows us to deliver meaningful support to new and existing service users. Awarding short-term Contracts to the current providers will allow us time to undertake an effective commissioning process and create opportunities for improving impact and value for money through service redesign and streamlining access, to ensure the best use of resource. It was hoped that this could be achieved within the Contract Term of 31<sup>st</sup> December 2018. However, this was difficult to achieve in relation to the current service, given the offer of housing and support is currently integral to the model, leading to a complexity of issues.

The reasons for seeking an Exception to Contract Standing Orders are outlined within the Exception Report (PC41) attached to this Decision.

The current Contract is due to expire on 31<sup>st</sup> December 2018 and we are requesting a decision to award a Contract directly to all 8 of the current providers, in the short-term for a period of 6 months. The period of 6 months will allow for a consultation period with all stakeholders, including the existing providers. The plan is to procure and implement a new redesigned, comprehensive service model and offer, that better meets the needs of the users of the services with more complex support needs by 1<sup>st</sup> July 2019.

Contract management will focus on the recommissioning and remodelling of the current services. The Contracts and Commissioning Team has a small project team in place to oversee a number of workstreams related to the contract management and recommissioning. Data from Providers has been submitted to Commissioners and revised Compliance processes are being developed.

The short-term award will commence on 1<sup>st</sup> January 2019 for a 6 month period and Procurement colleagues have drafted a timetable for the recommissioning work and implementation.

## **OPTIONS CONSIDERED:**

Go out to tender now: There is not sufficient time to effectively plan and design services.

The current providers are aware of the plans for a remodelled service and are supportive of a short-term award to enable this work to be completed. An alternative solution to the direct award short-term Contracts to the existing providers was not possible given the need to source and provide affordable accommodation within the time scale.

Terminate the services when the Contract ends in December: There are currently 192 vulnerable service users living in the Accommodation Based Housing Related Support Services, in ending these Contracts providers would not be able to maintain these tenancies resulting in the service users becoming homeless.

## **FINANCIAL IMPLICATIONS:**

None - extending each of the current individual Contracts for a period of 6 months will be below 100k, the funding is within the existing Contracts and Commissioning Service budget available. The cost of each Contract is listed within the Exception Report.

With the extension of current provision through the short-term direct awards, the new Contracts will be implemented by 1<sup>st</sup> July 2019. It is anticipated that the robust recommissioning process will achieve high quality services that deliver greater value for money through identifying efficiencies to be made in existing Contracts/services and there is a Medium Term Financial Plan targeted saving of £200k per annum, phased over 2019/20 and 2020/21, associated with this.

## **LEGAL POWERS AND IMPLICATIONS**

Under the Housing Act 1996 where a local authority is satisfied that an applicant is homeless and eligible, the local authority has various statutory duties including the duty to provide advice, assistance and accommodation in certain circumstances. This includes securing accommodation where the individual has a local connection, is unintentionally homeless or threatened with homelessness and in priority need for accommodation.

This will include a joined up approach to Part VII16 and s.2017 assessments of 16-17 year olds. An assessment under Part VII Housing Act 1996 of whether the local authority owes a duty to provide accommodation to the young person because they are homeless. An assessment of whether the young person is a child in need and, if so, whether the local authority has a duty to offer them accommodation as a child in care under s.20 Children Act 1989.

Under the Children Act 1989, local authorities have a duty to accommodate young people 'in need', while under the English Priority Need Order 2002, local authorities must consider 16 and 17 year old and 18 to 21 year old care leavers to be in priority need of housing. Children's services have a duty to provide the offer of continuing assistance to care leavers up to 25, while housing services will have a duty to provide accommodation if the young person becomes homeless through no fault of their own and is vulnerable (and therefore in priority need) as a result of having been in care.

The Care Act 2014 imposes various statutory duties on local authorities when exercising Adult Social Care functions to promote the individual's well-being, prevent needs arising and escalating, safeguarding and the duty to provide advice and information. Service users who are provided with Housing Related Support may have eligible unmet needs for care and support but even if they do not, the local authority has a discretionary power to meet the individual's needs. The Act places various duties and responsibilities on local authorities about commissioning appropriate services. In particular, all local authorities should encourage a wide range of service provision to ensure that people have a choice of appropriate services.

## **CONSULTATION**

Consultation has been undertaken with providers around extending their current arrangements and minor variations to the Contract to reflect existing service delivery as it has developed throughout the life of the Contract. Further consultation will be carried out during the 6 months to ensure all stakeholders are involved in the proposed changes, including the direct users of the service.

**RISK MANAGEMENT**

Going out to tender without extending existing Contracts will not allow sufficient time to effectively plan and redesign services, this creates the risk that the new commissioned service will not meet the needs of more complex service users, which will not offer good value for money. The proposed 6 months direct short-term award to all current providers mitigates this risk.

**EQUALITY IMPLICATIONS**

Have you undertaken an Equality Impact Assessment? Yes  
The impact on all equalities groups is low as there is to be no change to service delivery.

**CORPORATE IMPLICATIONS**

These services contribute towards North Somerset Councils Corporate Plan to commission or provide quality health and care services, which deliver dignity, safety and choice.

**BACKGROUND PAPERS**

Exception Report to Contract Standing Orders PC41 (2018/19).

**SIGNATORIES:**

**DECISION MAKER:**

Signed: Heila Smith

Title: Director, People and Communities

Date: 23.1.19

**WITH ADVICE FROM:**

Signed: Geordie Hunt

Title: Head of Commissioning

Date: 22/1/19

## DECISION OF DIRECTOR OF People and Communities

### Exception to Contract Standing Orders

#### DECISION NO PC41 2018/19 PEOPLE AND COMMUNITIES

**SUBJECT:** To agree a short term (6 months) direct award of the Accommodation Based Housing with Support Contracts, from 1st January 2019 to 30th June 2019, to the following organisations: Alabare Christian Care (02604011), Salvation Army Housing Association (IP15210R), Curo Group Ltd (4302179), Elim Housing Association (02399633), LiveWest Homes Ltd (RS007724), Richmond Fellowship (662712), Sanctuary Housing (02245594) and Home Group (22981R).

**Please note this item was initially on the forward plan for Exec Member decision (based on the combined value of extending all 13 Contracts), however following advice from legal the Contracts are being considered individually and sought as exceptions to the Contract Standing Orders.**

In accordance with the provision set out in Contract Standing Orders an exception is being sought.

#### **Exception being sought:**

**6.31;"Quantifiable and significant cost and efficiency savings can be achieved through seeking an alternative route:**

It is strategically important that we have enough time to plan and develop new Contracts that allow us to deliver meaningful support to new and existing service users. Current Contracts end on 31<sup>st</sup> December 2018 and there is not sufficient time to effectively plan and redesign

services, it is agreed that there are improvements to be made to the existing provision. Extending current provision by 6 months will allow us time to undertake an effective commissioning process and create opportunities for improving impact and value for money through service redesign and streamlining access, to ensure the best use of resource. Hurrying the commissioning process will not allow for sufficient planning and tie us into an inefficient service.

**The Council would otherwise be exposed to immediate and significant financial, legal or reputational risk that has been identified in the relevant risk register:** There are currently 192 vulnerable service users living in the Accommodation Based Housing Related Support services, in ending these Contracts providers would not be able to maintain these tenancies resulting in the service users becoming homeless. This would create a significant legal, financial and reputational risk to the authority. The process of recommissioning is complex given the current offer has an integral housing and support model. Sourcing 192 units of affordable housing would not be possible within the 6 month time span, which is why the exception is being sought.

**Reason for seeking Exception:**

The Accommodation Based Housing Related Support services provide short term accommodation support to vulnerable people to maintain or develop capacity to live independently. Housing Related Support includes a range of aspects including: budgeting, paying the rent on time, help to deal with specific problems such as tenancy issues, liaising with council, government or health services, finding local services, training or jobs, adapting a home for disability or finding an alternative home. It also helps with signposting to a range of specialist services. These services are delivered by eight providers, across 13 service locations and supply 192 bed spaces.

The key service user groups supported by these services are:

- Homelessness
- Mental Health
- Learning Disabilities
- Substance Misuse
- Young People – including Care Leavers and Teenage Parents

The current Contracts are due to expire on 31st December 2018. Going out to tender without the opportunity to award short term Contracts to existing Contracts will not allow sufficient time to effectively plan and design services, this creates the risk that the commissioned services will be ineffective and not offer good value for money. Awarding the current Contract for 6 months mitigates this risk. These services contribute towards North Somerset Councils Corporate Plan to commission or provide quality health and care services, which deliver dignity, safety and choice.

Under the Housing Act 1996 where a local authority is satisfied that an applicant is homeless and eligible, the local authority has various statutory duties including the duty to provide advice, assistance and accommodation in certain circumstances. This includes securing accommodation where the individual has a local connection, is unintentionally homeless or threatened with homelessness and in priority need for accommodation.

This includes a joined-up approach to Part VII16 and s.2017 assessments of 16-17-year olds. An assessment under Part VII Housing Act 1996 of whether the local authority owes a duty to provide accommodation to the young person because they are homeless. An assessment of whether the young person is a child in need and, if so, whether the local authority has a duty to offer them accommodation as a child in care under s.20 Children Act 1989.

Under the Children Act 1989, local authorities have a duty to accommodate young people 'in need', while under the English Priority Need Order 2002, local authorities must consider 16 and 17-year-old and 18 to 21-year-old care leavers to be in priority need of housing. Children's services have a duty to provide the offer of continuing assistance to care leavers up to 25, while housing services will have a duty to provide accommodation if the young person becomes homeless through no fault of their own and is vulnerable (and therefore in priority need) as a result of having been in care.

In ending these Contracts prior to a sufficiently robust recommissioning process taking place, providers would not be able to maintain the 192 tenancies of vulnerable service users that are currently in place. This would result in the service users becoming homeless, creating significant legal, financial and reputational risk to the authority. Awarding short term Contracts to the existing providers, therefore, continuing in essence the current arrangements by 6 months, will allow us time to undertake an effective commissioning process and create opportunities for improving impact and value for money through service redesign and streamlining access, to ensure the best use of resource. This will be further supported through undertaking a consultation process involving all stakeholders. Challenge from potential providers will be mitigated through their opportunity to participate in the tendering process for the redesigned long-term Contracts with a start date of 1<sup>st</sup> July 2019. The current providers have been consulted on the plan and are in agreement.

### **Financial Implications:**

Costings of continuing the existing 13 Contracts for 6 months are set out below. The amount is within the existing Contracts and Commissioning Service budget available.

Alabare Learning Disabilities Contract: £40,374.70

Salvation Army Housing Association Drug and Alcohol Service Contract: £22,681.14

Salvation Army Housing Association Young People High Support Contract: £36,396.33

Salvation Army Housing Association Young Parents Support Contract: £18,929.13

Curo Housing Association Homelessness Service Contract: £45,153.60

Elim Housing Young People Low-Medium Support Contract: £18,869.36

Live West Young People High Support Service Contract: £46,935.37

Live West Young People Lower Support Services Contract: £23,765.00

Sanctuary supported living Young People High Support Service Contract: £43,228.50

Sanctuary supported living Young People Foyer Support Service Contract: £46,159.00

Sanctuary supported living Young People Foyer Support Service Contract: £8,000.00

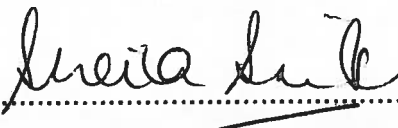
Stonham Housing Young People High Support Service Contract: £38,981.28

The Richmond Fellowship Mental Health Service Contract: £46,152.60

All Contracts are funded through the Adult Social Care Budget.

**Implications for Future Years:**

With the direct award of the short term Contracts, extension of current provision will continue and the new Contracts will be implemented by 1<sup>st</sup> July 2019. It is anticipated that the robust recommissioning process will achieve high quality services that deliver greater value for money through identifying efficiencies to be made in existing Contracts/services and there is a Medium Term Financial Plan targeted saving of £200k per annum, phased over 2019/20 and 2020/21, associated with this.

Signed  Director of People and Communities

Dated 23.1.19



**If value of contract is expected to be over £100,000 the advice of the following will also need to be obtained. Please note that only exceptions up to current EU thresholds can be granted (Goods or Services £164,176 / Works £4,104,394 / Light Touch £589,148)**

This is not applicable, as the value of awarding each individual service an additional 6 month contract falls below £100,000 threshold.

## **Eligible exceptions**

- 6.3.1 quantifiable and significant cost and efficiency savings can be achieved through seeking an alternative route;
- 6.3.2 reasons of extreme urgency mean that normal time limits cannot be met, including because of unforeseen emergency or disruption to Council services. This may include for example, storm damage to public buildings. Not having sufficient time to tender may not in itself constitute urgency.
- 6.3.3 the Council would otherwise be exposed to immediate and significant financial, legal or reputational risk that has been identified in the relevant risk register;
- 6.3.4 only one supplier is objectively able to provide the works, services or goods in question including, but not limited to, where the provision is specialist, where the supplier has exclusive intellectual property rights, artistic or other rights, has a monopoly or where the goods bought are for re-sale. In such circumstance only that one supplier may be asked to quote / tender, however the quote / tender must be evaluated for capability and suitability.
- 6.3.5 Within an RFQ scenario, where fewer than the number of suppliers from which you are required to seek quotes are able to provide the works, services or goods in question, (including but not limited to occasions where the provision is specialist, the market is weaker, the supplier has exclusive intellectual property, artistic or other rights, is a monopoly or where the goods bought are for re-sale) but there is more than one supplier in the market, the exception must be for the number of quotes / tenders that are sought are less than the required minimum.
- 6.3.6 If you conduct a formal, advertised tender or RFQ process where you have invited at least the minimum number of bidders required (see section 9.4) and receive less bids than the minimum required, you are not required to obtain an exception to these CSOs.
- 6.3.7 Contracts to engage artistes, shows, attractions, events or other entertainment media to provide entertainment or facilities.
- 6.3.8 Additional or new services, supplies or works are required which, through unforeseen circumstances, were not included in an existing Council contract and are necessary for the completion of the contract and/or cannot be carried out separately. Forgetting to include the additional or new services will not in itself apply to this exception.
- 6.3.9 Goods are required as a partial replacement for, or addition to, existing goods or installations and obtaining them from another source would result in incompatibility or disproportional technical difficulties in operation or maintenance.
- 6.3.10 The Council has the benefit of a Local Authority Controlled Company under Regulation 12 of the Public Contracts Regulations 2015, and exercises over the company concerned

a control which is like that which it exercises over its own departments and, at the same time, that company carries out the essential part of its activities with the Council's control.

