

Notice of KEY Executive Decision

This Executive Decision Report is part exempt and Appendix 1 is not available for public inspection as it contains exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972. It is exempt because it refers to financial information, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

Subject Heading:	Approval to Award a Contract for the Provision of a Support Service Contract at Brunswick Court
Cabinet Members:	Councillor Jason Frost, Cabinet member for Adult Services and Health Councillor Robert Benham, Cabinet member for Education, Children & Families
SLT Lead:	Robert South, Director Children's Services
Report Author and contact details:	Paul Burgin, 01708 43 1090, paul.burgin@haverling.gov.uk
Policy context:	Communities Theme: The needs of our most vulnerable residents are identified and met. The support service will be assisting vulnerable young people and adults to further develop their independence skills to enable them to move on to independent accommodation.
Financial summary:	The budget for this service will come from both Children and Adult budgets. The funding will come from existing budgets over the lifetime of the contract. The duration of the contract is 1 st April 2021 to 31 st March 2024. The lifetime costs of this service is expected to be £634,460
Reason decision is Key	Expenditure of £500,000 or more.
Date notice given of intended decision:	8 th March 2021

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Relevant OSC:	Children & Learning & Individuals
Is it an urgent decision?	No
Is this decision exempt from being called-in?	No
Exempt Information:	Appendix 1 to this report is classified as not for publication under paragraph 3 of Schedule 12A to the Local Government Act 1972 on the grounds that it contains information relating to financial or business affairs of a particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input checked="" type="checkbox"/>
Places making Havering	<input type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

Approval is sought to award the contract for the provision of support services to individuals placed in accommodation at the Brunswick Court site. The proposed contract period is from 1 April 2021 until 31 March 2024; and the estimated cost is approx. £634,460

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 [(Responsibility for Functions)], section 3.3 of the Council's Constitution as follows:

Powers of Members of the Senior Leadership Team

Contract powers

(b): to award all contracts with a total contract value of between £500,000 and £5,000,000 other than contracts covered by Contract procedure Rule 16.3.

STATEMENT OF THE REASONS FOR THE DECISION

2. Reasons for the Decision:

2.1 Establishing this service in the borough supports some of our most vulnerable residents on the pathway to independence and further develop the skills and strategies needed to manage their own tenancies effectively when supported to 'move on'. This approach will reduce the number of young people leaving care and other vulnerable Adults becoming homeless or not having the skills to live independently longer.

3. Statutory Duties

3.1 The Children's Act 1989 requires local authorities to provide accommodation for individuals in care or in receipt of social care services.

3.2 Section 22g of the Children's Act requires local authorities to publish a Sufficiency Statement of how they are providing sufficient accommodation for children in care and care leavers.

3.3 The Care Act 2014 requires that Housing promote Health and Well-being. This service will contribute towards living independently, sustainable tenancies, active members of the community, the development of strategies to promote positive well-being, accessing training and/or employment opportunities.

4. Background

4.1 The full background to this decision is set out in the Non Key Decision dated 11 December 2020 attached at Appendix 2.

5. The Support Service

The proposed support model is one that delivers low level but structured support with the following aims:

- developing responsibilities around holding a tenancy, paying rent, incorporating an approach around 'good' neighbour issues

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- budgeting, managing money, accessing benefits and addressing debt
- maintaining good levels of personal appearance and hygiene
- accessing training, education, volunteering or employment by having the skills to use public transport, seek and maintain yourself in sustainable employment.
- addressing chaotic, offending or anti-social behaviours
- creating positive social networks and knowledge about community resources.
- encouraging and supporting people's well-being and healthy
- encouraging and supporting people to stay safe including safeguarding against the dangers of substance misuse, sexual exploitation, abuse etc.
- improving daily living skills such as cooking, meal planning, healthy eating, laundry, cleaning, housekeeping, etc.
- signposting to more specialist services, when required
- dealing with issues around confidence and developing maturity, including issues to do with sexuality, effective use of conception and safe sex
- developing a culture whereby individuals value independence and acquire the skills to sustain independent living.
- development of interpersonal skills to allow you to advocate for yourself and an understanding of your legal rights.
- parenting support, care and an understanding the skills to aide child development and motherhood.

6. Project Governance

In order to deliver this tender, a project management structure was formed which included a Project Group which regularly met to coordinate and monitor the progress of the project. The Project Group members included representatives from Supported Housing, Children's, Joint Commissioning Unit, Community Learning Disability Team, Community Mental Health Team and Procurement. The role of the Group was to manage the project deliverables and risks through a number of project control documents including a Project Plan, Action and RAID Logs.

7. Procurement Approach

- 7.1 This procurement was subject to and adhered to the Council's Contract Procedure Rules. The procurement followed a formal tender process in line with the Public Contracts Regulations 2015, which require compliance with the general EU Treaty principles of non-discrimination, mutual recognition, equal treatment and transparency.
- 7.2 A Prior Information Notice (PIN) was published on the Official Journal of the European Union (OJEU), on 4th September 2020.
- 7.3 The tender was published on the Capital E-sourcing platform on 10th December, over 61 suppliers responded to the invitation to tender.

8. Evaluation

- 8.1 In total, eight suppliers completed and submitted their tender documents by the closing date of 11th January 2021. All evaluations focused on examining how the proposals were able to evidence the standard and experience the Council was looking for through the selection questionnaire. There were two Suppliers, who did not achieve the key requirements outlined in the selection questionnaire and which the Council was looking for and did not proceed. Further details of the tender process (including the price and scoring information) are set out in Appendix 1, attached to this report.

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OTHER OPTIONS CONSIDERED AND REJECTED

1. Option one:

Do nothing and continue to pursue existing contracting arrangements for individual placements in a range of settings. This option would include the continued use of framework contracts as well as spot purchasing arrangements, with varying levels of control over cost and quality.

2. Option two:

Procure the service through one of the existing frameworks or dynamic purchasing systems already in place within the Joint Commissioning Unit. The existing frameworks and dynamic purchasing systems in place do not currently have a category for this type of accommodation based support service.

PRE-DECISION CONSULTATION

The pre-decision consultation has involved engaging with a number of stakeholders for the tender. In summary, the following table presents the type, methods and stakeholders engaged in the pre-decision consultation;

Type	Methods	Consultees
Project Group	Formal regular virtual meetings, phone calls, E-mails and reports	a) Joint Commissioning Unit b) Housing c) Children Social Care d) Adult Social Care e) Legal f) Procurement g) Finance h) Early Help i) Department of Works & Pensions j) Council Tax Benefits
Provider Market	Prior Information Notice published on Capital E-sourcing and publication of tender	a) Current provider b) Other interested providers in the market.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Paul Burgin, Senior Commissioner and Project Manager

Designation: Joint Commissioning Unit

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Signature: 

Date: 18th February 2021

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

1. This report seeks approval to award a contract for the provision of residential care and support services (the “Services”).
2. The Council is a local authority as defined by section 270 of the Local Government Act 1972 and has a general duty under section 1 of the Care Act 2014 to promote the well-being of individuals – which includes suitability of living accommodation.
3. The Council has the general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally do, including the matters set out in this report.
4. Under paragraph 3.3 (Powers of Members of Senior Leadership Team) of Part 3 [Responsibility for Functions] of the Council’s Constitution, members of the Senior Leadership Team (SLT) have delegated authority, *“to award all contracts with a total contract value of between £500,000 and £5,000,000...”*
5. The Services fall within the description of “Health, social and related services” under Schedule 3 of the Public Contracts Regulations 2015; and are services to which the light-touch regime will apply, which affords a high degree of flexibility in the procurement process used by a contracting authority (and negated having to advertise the contract opportunity in the OJEU).
6. The conduct of the procurement process appears to comply with the principles of the Treaty of the Functioning of the European Union; and the Local Government Act 1999 requirement to make arrangements to achieve best value in the exercise of its functions. Officers have satisfied themselves that the winning bid represents the most economically advantageous tender for the Council overall.
7. All Contracts with a value above £150,000 must be executed under seal, in consultation with Legal Services.

FINANCIAL IMPLICATIONS AND RISKS

This decision relates to awarding a contract for the provision of a support service at Brunswick Court. The total cost of the recommended supplier is £634,460 over the 3-year life of the contract.

This contract cost will be met from existing revenue budgets within both Children’s and Adult Services where the placements are currently funded. The cost allocated to each Service will be based on the number of placements used, which is planned to be 17 Children’s (74%) and 6 Adults (26%).

On this basis, the annual costs will be:

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Service	2021/22	2022/23	2023/24	Total
	£	£	£	£
Children's	154,943	155,494	159,064	469,501
Adults	54,439	54,633	55,887	164,959
Total	209,382	210,127	214,951	634,460

The actual split of costs between Children and Adult Services will be determined by the cohort of suitable clients from each service area, the cost split would need to be reviewed if the placement allocations were to change.

The support service contract is a fixed price for providing support for 23 placements; therefore, the cost does not reduce if the placements fall below this number. It is therefore important to maintain occupancy rates as near to this number as possible to optimise value for money. Three hours of support are allocated to each client per week, it is recognised some of those placed may need less than 3 hours and others may need more. The provider is required to work within the envelope of 69 hours.

In addition to the support service, other accommodation costs will arise. Rent and eligible accommodation costs estimated at £152 per week will be met from Universal Credit and be paid directly into rent accounts, this will not impact on Service budgets.

However, accommodation costs ineligible for Universal Credit, estimated at £17.50 and £20.95 per week, for Children's and Adults placements respectively, will be met from Service budgets. This will amount to an additional total cost of £22,065 to be apportioned across the two services.

The costs of this contract are to be met from budgets that currently fund the existing placements, which will transfer into the new provision at Brunswick Court. The cost differential between the current and new provision is expected to deliver a revenue cost reduction. The level of reduction is dependent upon the actual client cohorts that transfer into the new provision and the levels of occupancy throughout the year.

The cost avoidance modelling calculations, based on current client cohorts that could potentially be transferred to Brunswick Court, their current placement costs, and 80% occupancy, demonstrate a potential total annual cost avoidance of around £144,000 (in a full financial year). However figures for 2021/22 onwards will need to be recalculated once the actual cohort of clients referred to this service are confirmed.

The financial modelling has been based on tendered support costs, potential client cohorts, and the recovery of rent and service charges through Universal credit. Any changes to these assumptions in actual practice will have an impact on the actual outturn of this modelling and will need to be closely monitored for the duration of the contract.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendations made in this report in connection with the procurement of a support provider do not give rise to any identifiable HR risks or implications that would directly or indirectly affect either the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

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- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender, and sexual orientation.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

HEALTH AND WELLBEING IMPLICATIONS AND RISKS

Homelessness impacts on health and well-being in many different ways including on mental health. To ensure the most vulnerable people in our care are looked after, and supported to thrive and progress in life, we are developing this service to help contribute towards the reduction in homelessness and rough sleeping.

The Support Service will have a positive impact on the health and well-being on young people and vulnerable adults placed. Those placed will be supported by the provider to work towards building strategies and skills to enable them to live on their own or with others.

By improving these and a range of life skills it is expected that this will improve the chances of those placed of managing their own tenancies and to live independently in the community.

This will reduce the inequalities related to these vulnerable groups:

- Young people leaving care
- Mothers in care with a baby
- Adults with a mental health need
- Adults with a learning disability

The provider will work towards achieving the service aims and will evidence achievement through quarterly contract meetings.

Championing early intervention and increasing support for mental health will drive our clear and genuine aspiration to eliminate rough sleeping in Havering by 2022. (Havering's Prevention of Homelessness Strategy 2020-25; Councillor Joshua Chapman, Cabinet Member for Housing).

BACKGROUND PAPERS

None

Appendices:

Appendix 1 - Exempt

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Appendix 2

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed



Name: **Robert South**

Cabinet Portfolio held:

CMT Member title: **Director of Children's Services**

Head of Service title

Other manager title:

Date: **18th March 2021**

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Committee Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____