

CAMBRIDGE CITY HOMELESSNESS REABLEMENT SERVICE WILLOW WALK

To: **Adults Committee**

Meeting Date: **3 November 2015**

From: **Adrian Loades
Executive Director: Children, Families and Adults Services**

Electoral division(s): **All**

Forward Plan ref: **2015/056** *Key decision:* **Yes**
4 year contract award
with 2 year extension
value is £1,434,000

Purpose: **To request a procurement exemption and permission to award the Cambridge City Homelessness Support contract to Riverside ECHG (previously known as English Churches Housing Group). A full procurement exercise was undertaken but as there were fewer than three bidders for the contract, procurement regulations state that an exemption from further tendering is required.**

Recommendation: **That the Committee agree to an exemption from a further procurement exercise so that the contract can be awarded to the successful bidders Riverside ECHG.**

<i>Officer contact:</i>	
Name:	David Frampton
Post:	Mental Health Commissioning Manager
Email:	david.frampton@cambridgeshire.gov.uk
Tel:	01223 507143

1.0 BACKGROUND

- 1.1 Following recent completion of the procurement process for the Cambridge City Homelessness Reablement Service, Riverside ECHG (previous title: English Churches Housing Group) was the successful bidder, meeting all the service requirements at a financially improved value with a saving of £26,648 per annum.
- 1.2 As there were fewer than three bidders and the contract value is over £500k, contract regulations require Adults Committee approval before the contract can be awarded.
- 1.3 The contract is to provide support to homeless people at the Willow Walk Hostel in Cambridge which has 22 bedrooms on site. The people being supported are likely to have complex and multiple needs, including a history of drug and alcohol problems, mental health or learning disability problems. The contract is not for the accommodation.
- 1.4 The recommendation to award this contract has been considered within the context of CFA business planning process and the Strategy for Children, Families and Adults Services in Cambridgeshire 2016/17 to 2020/21. These savings are part of the Older People and Mental Health Section, item AR 6.211 Voluntary and Community services.
- 1.5 The service is part of a homelessness pathway. Referrals are exclusively from Jimmy's Night Shelter in Cambridge, which is the first part of the pathway and responsible for the initial assessment and response. Whilst the person is at the Willow Walk Hostel, staff will further assess and design a support plan. Some people will be able to move on within months, whilst other people will need a longer period of engagement because of their previous unsettled lifestyle. Move-on will be into other parts of the homelessness system, or into group homes supported by Riverside staff.
- 1.6 The service was tendered and full procurement completed earlier this year, with a start date for the new contract of 1 July 2015. The contract value is £239,832 per annum and the contract length is four years, with a two year extension option. The total contract value therefore, is £1,434,000. Riverside Housing ECHG was the previous provider and the only bidder for the contract.
- 1.7 It is likely that there was only a single bidder because bidders have to have accommodation available from which to deliver the support (although this contract is for the support only).
- 1.8 Although the bid from Riverside Housing ECHG was the only tender, it was robustly evaluated by a tender panel, moderated by a manager from the Procurement Team and the bid was found to be satisfactory in all areas.

2.0 OPTIONS

2.1 As there was only one bidder there are three options.

- Cease to contract the service
- Run another procurement exercise
- Follow procurement regulations in the event of a single bidder and seek an exemption to award the contract if the bidder is successful and meets Council requirements

2.2 Option 1 - Cease to contract the service

2.2.1 This option is not recommended because it supports some of the most vulnerable people, some with a record of street homelessness and subsequent low employment skills. Without the support offered by the service, needs would increase and become more complex and this would be more likely to lead to the need for statutory social care services. This service makes a contribution to the local economy by helping vulnerable people get back to work or, if in employment ready, to improve their basic skills. Part of the capital investment (as set out in paragraph 2.6) will be used to fund employment and computer training facilities on the site where group work and individual teaching of basic skills will be undertaken.

2.3 Option 2 - Run a further procurement exercise

2.3.1 This option is not recommended as it is unlikely that a further procurement exercise would generate an increase in bidders, as this recent procurement exercise has tested the market and demonstrated there is no competing interest in the contract.

2.3.2 Additionally, the successful bidder also meets the contract requirements and an improved financial value. It is hoped that the County Council is able to take advantage of both the improved service and cost as soon as possible, and secure benefit of the capital funding from the HCA (deadline for awards December 2015).

2.4 Option 3 - Award the contract to the successful bidder

2.4.1 **This option is recommended for the following reasons.** The outcome of the tender process represents better value for the County Council. Although the service provider would remain unchanged, there have been significant positive changes that have increased the value of the contract for the Council. These benefits are:

2.4.2 Increased value

The contract value has been reduced (without a reduction in direct service support to users of the service) from £266,480 per annum to £239,832 per annum. This is a 10% saving which will contribute towards delivering CFA savings targets. The revised service specification will enable more strategic and focused work. The role of the service has been changed, with a shift in expectation that people will stay long term in the accommodation to one of working with people early on in their stay and working with the night shelter

and complex cases team so that people can be assessed quickly. The aim being that they can move towards more independent and mainstream accommodation.

2.4.3 Increased capital investment

There will be considerable capital investment into Willow Walk by partners. The total investment will total £859,000. Riverside Housing ECHG will contribute £402,000, the HCA (Homes and Communities Agency) £250,000 and Cambridge City District Council £84,000. This investment into en-suite bedrooms, disabled access and reception and education areas will modernise the existing building and make it fit for purpose. This will enable staff to work to improve coping skills of people using the service so they can move on into more settled accommodation.

There has also been work undertaken with the Cambridge City Council to ensure that the scheme supports their homelessness strategy. Hence the City Council has agreed to contribute £84,000 towards the capital funding

2.4.4 Supports the preventative role of the Council

There are strong business reasons for the Council continuing to support this service. There is a direct link between homelessness and other risk factors and vulnerability - specifically substance misuse, mental ill health and physical ill health. Without the support offered by the service, needs would increase and become more complex and this would be more likely to lead to the need for statutory social care services. Service users may already be being supported by social care for other needs, but costs may increase.

2.4.5 Supports the role of key partners

The funding for the service (including a range of other homelessness services in Cambridgeshire) was transferred to the County Council by the Government, rather than to District Councils, in 2003. This funding was originally included in Housing Benefit entitlement paid to each individual in supported housing, which was in turn passed onto the provider to support staffing costs. Supporting homelessness provision is a statutory duty of the District Councils, but the funding for this purpose was in effect transferred to the Council.

3.0 ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

The following points set out details of implications identified by officers:

- 3.1.1 This service supports some of the most vulnerable people some with a record of street homelessness and subsequent low employment skills. This service makes a contribution to the local economy by helping vulnerable people get back to work or, if not employment ready, to improve their basic skills.
- 3.1.2 Part of the capital investment will be used to fund employment and computer training facilities on the site where group work and individual teaching of basic skills will be undertaken.

3.2 Helping people live healthy and independent lives

The following points set out details of implications identified by officers:

- 3.2.1 The service is part of a homelessness pathway. A pathway describes how the various homelessness services work together to match support with the person's needs. People using homelessness services will initially be assessed in the night shelter known as Jimmy's Night Shelter and will then pass onto longer term homelessness services, such as Willow Walk, followed by a less supported group homes or general housing.
- 3.2.2 The capital investment will enable the service to offer a better standard of accommodation and facilities. A key aim of the service is to work with people to access health services and improve self care. Some people can be enabled to on from the service in months but other people will require a longer stay. One of the success factors in such schemes with people who are most vulnerable is in fact to maintain engagement with them.
- 3.2.3 The service will be performance managed. The following will be reviewed as part of contract monitoring:
 - All service users will have needs identified and support plans which clearly identify move on plans into settled accommodation and how their other needs will be addressed.
 - Services users will be registered for Choice based lettings with the appropriate District Council on admission to the service.
- 3.2.4 A dedicated resettlement officer will be employed as part of the service. This person will engage with other support services so that support for the person moving on can be coordinated.

3.3 Supporting and protecting vulnerable people

- 3.3.1 The following points set out details of implications identified by officers:

This service works with some of the most vulnerable people in the County. People who use this service will be better enabled to maintain their independence. The provider will be supported to develop a skilled and competent workforce able to meet the needs of vulnerable people. The remodelled service will provide:

- a focus on identifying risk for each individual
- safety and a secure environment
- assistance in crises

4.0 SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

- 4.1.1 As referred to in section 2.1, the new contract offers better value for the Council, reduced from £266,480 to £239,832 per annum. This is a 10% saving which will contribute towards delivering CFA savings targets. In addition, the contract will attract significant new capital funding of £859,000. The recommendation to award of this contract has been considered within the context of CFA business planning process and the Strategy for Children, Families and Adults Services in Cambridgeshire 2016/17 to 2020/21. These savings are part of the Older People and Mental Health Section, AR 6.211 Voluntary and Community services

4.2 Statutory, Risk and Legal Implications

- 4.2.1 In preparing this paper, the opinion of the LGSS legal and procurement teams was sought. The risk of challenge is minimal as the County has followed a clear tender process and potential providers have had an opportunity to bid for the contract. The County is following its procurement regulation guidance by seeking an exemption to further tendering where there have been fewer than three bidders.

4.3 Equality and Diversity Implications

- 4.3.1 There have been no significant implications identified by officers.

4.4 Engagement and Consultation Implications

- 4.4.1 Consultation has taken place with the City Council and DAAT (Drug and Alcohol Action Team). The aim has been to ensure the new contract reflects the support needs of service users and they can access services.

4.5 Public Health Implications

- 4.5.1 This service will improve the health of Cambridgeshire residents as there is a strong association between homelessness and ill health and disability.

4.6 Localism and Local Member Involvement

- 4.6.1 This service will enable those who are most vulnerable to engage and be part of the community. There is a focus on engaging with some of the most vulnerable people who have been street homeless.

Source Documents	Location
Contract tender paperwork for the above service – this contains commercially sensitive business exempt information which is not to be disclosed to the public	Contract Team - Adult Social Care Octagon, Shire Hall, Cambridge