
Homelessness Services

Committee considering report:	Executive on 16 February 2017
Portfolio Member:	Councillor Hilary Cole
Date Portfolio Member agreed report:	15 November 2016
Report Author:	Robert Bradfield
Forward Plan Ref:	EX3202

1. Purpose of the Report

- 1.1 Through the corporate savings programme, the funding within Supporting People has reduced to 500k for the provision of youth and adult homelessness services and it is our intention to procure homelessness services at a reduced cost to West Berkshire Council.
- 1.2 The purpose of this report is to inform the Executive of the tender process and to obtain delegated authority to award and enter into a contract with the successful tenderer.

2. Recommendation

- 2.1 The Executive delegates authority to the Head of Contracts, Commissioning and Housing in consultation with Head of Legal Services and Head of Finance to enter into the Homelessness Services contracts with the successful tenderer.

3. Implications

- 3.1 **Financial:** In line with Corporate Savings Programme the budget has been reduced from £849k to £500k per annum.
- 3.2 **Policy:** Potential reduction in provision of homelessness units for clients.
- 3.3 **Personnel:** TUPE will apply for those employed by existing services, and the appointed provider will follow due process in relation to new arrangements for staff.
- 3.4 **Legal:** The procurement exercise should be in accordance with Public Contracts Regulations 2015 and a written contract would need to be in place before the commencement of services.
- 3.5 **Risk Management:** Potential reduction in homelessness provision may increase street homelessness, Housing Team are aware of plans. It is anticipated that the number of units will reduce from 108 to around 63.
- 3.6 **Property:** Providers are to deploy property for this service as per service specification. Two Saints & A2 Dominion have suitable local property for this service, however all bids will be equally considered.

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3.7 **Other:** n/a

4. **Other options considered**

4.1 Termination of all homelessness provision.

5. Executive Summary

- 5.1 Through the corporate savings programme, the funding within Supporting People has reduced to 500k for the provision of youth and adult homelessness services.
- 5.2 Existing contracts are funded through Supporting People budget at a total of £849,545. Homelessness services comprise of two distinct services.
- 5.3 Current adults homeless provision is provided by Two Saints Ltd, and current youth provision by Nacro
- 5.4 The new service will provide homeless accommodation and support services for homelessness clients, both youth and adult.
- 5.5 There will be two distinct contracts as follows: -
- (1) Lot1 – youth will be allocated £160k per annum;
 - (2) Lot 2 – adults will be allocated £340k per annum.

Bidders will be able to apply for either/both lots.

- 5.6 The intention is to award a 5 year contract with a 3 year extension period to make the opportunity more attractive to potential bidders; market consultation also highlighted that a longer contract period would be preferable to the limited pool of capable providers.
- 5.7 Bidders will be invited to supply a fixed price for the duration of the contract(s), and will be evaluated on how many units they can offer, but is anticipated that approximately 63 units will be offered.
- 5.8 The contract(s) would be awarded to the most economically advantageous tender following a full procurement exercise.
- 5.9 TUPE may be applicable to any new contract.
- 5.10 A contract term of 5+3 years will potentially help with VFM as contractor will be able to spread the costs over the whole life of the contract. The total estimated contract value (including the term and extensions) based on available budgets for both lots is £4m (over 8 years).
- 5.11 A consultation exercise has been completed with residents/families. A market research engagement has been completed with potential providers.

6. Conclusion

- 6.1 Due to a reduction in available funding through the corporate savings programme, homelessness services are being tendered with a reduced budget of £500k. This report also informs the approach of the market.
- 6.2 The Executive is asked to approve the Recommendation.

7. Appendices

7.1 Appendix A - Supporting Information

7.2 Appendix B – Equalities Impact Assessment