



## NOTICE OF MEETING

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# Cabinet Member Signing

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FRIDAY, 13TH DECEMBER, 2013 at 11:00 HRS - CIVIC CENTRE, HIGH ROAD, WOOD GREEN, N22 8LE.

Cabinet Member: Councillor Alan Strickland

### AGENDA

#### 1. URGENT BUSINESS

The Cabinet Member will advise of any items of urgent business.

#### 2. WAIVER OF TENDERING REQUIREMENTS AND AWARD OF HOUSING RELATED SUPPORT CONTRACT TO DIMENSIONS (PAGES 1 - 6)

(Report of the Director of Adult and Housing Services). The report requests agreement to waiver tendering requirements and to retrospectively approve an award of contract for Housing Related Support to Dimensions.

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**Haringey Council**

<b>Report for:</b>	<b>Cabinet Member Signing 13 December 2013</b>	<b>Item Number:</b>	
<b>Title:</b>	<b>Waiver of tendering requirements and award of Housing Related Support Contract to Dimensions</b>		
<b>Report Authorised by:</b>	<b>Mun Thong Phung</b> <b>Director of Adult and Housing Services</b>  <b>Signed:</b>  <b>Date:</b>		
<b>Lead Officer:</b>	<b>Claire Drummond, Commissioning Manager</b> <b>(Housing Related Support)</b> <b>Tel: 020 8489 4526</b> <b>Email: <a href="mailto:claire.drummond@haringey.gov.uk">claire.drummond@haringey.gov.uk</a></b>		
<b>Ward(s) affected:</b>	<b>Report for Key Decisions</b>		

### **1. Describe the issue under consideration**

- 1.1 This report requests that the waiver to tender and to award the contract is retrospectively approved for Housing Related Support (HRS) Provider, Dimensions, to ensure compliance with contract standing orders.
- 1.2 Dimensions is one of four organisations who provide accommodation and support for people with learning disabilities. The other three providers are HAIL, Marcus and Marcus and Norwood.
- 1.3 The request to waiver and contract award should have been included in the "Waiver of tendering requirements and award of Housing Related Support Contracts" report (Cabinet 13 November 2012), but was erroneously omitted.



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- 1.4 A contract signed by the Council and Provider was issued in April 2013, and this omission was only recently identified.

**2. Cabinet Member introduction**

- 2.1 The award of this contract is consistent with the Housing Related Support Commissioning Plan and has achieved significant savings.

**3. Recommendations**

- 3.1 To retrospectively approve the waiver of the tendering requirements of Contract Standing Order 10.01.2(d), on the grounds that it is in the Council's overall interest;
- 3.2 To retrospectively approve the award of the contract to Dimensions at the annual contract value of £96,250.44 starting 1 April 2013 for one year plus an option to extend for a further year in line with Cabinet's decision on 13<sup>th</sup> November 2012 for Learning Disabilities providers within the Housing Related Support programme.

**4. Alternative options considered**

- 4.1 The option of tendering this contract was considered as part of the agreed strategy for Housing Related Support (HRS) procurement but discounted on the grounds that:
  - (a) In order to deliver the priorities within the Commissioning Plan, a procurement strategy is needed that is appropriate for the client sector.
  - (b) The tendering of this contract is unlikely to provide better value for money than that which can be achieved via negotiation, taking all factors into account.
  - (c) Significant HRS and Corporate Procurement staff resources would be required for tendering, an investment that would not necessarily provide value for money.
- 4.2 The option of tendering all HRS expiring contracts was discussed with the Corporate Procurement Team, and it was concluded that the proposed approach represents the best way forward for the Council. No other options were considered.



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## 5. Background information

- 5.1 On 13 November 2012, Cabinet considered a report titled “Waiver of tendering requirements and award of Housing Related Support Contracts” The report sought approval for tender requirements to be waived and for contracts to be awarded to existing providers on new terms, in order that negotiated savings could be achieved.
- 5.2 The basis of these recommendations was that this was in the Council’s overall interest given the number of contracts that were due to cease and confidence that value for money could be achieved through contract negotiations. The specific long term approach for each of the HRS sectors was described and 42 contracts were set out in the appendix. Cabinet approved these recommendations.
- 5.3 Contract negotiations took place between November 2012 and February 2013 and new contracts were issued, however it has recently come to light that one of the contracts issued (Dimensions), which had been intended for the report of 13<sup>th</sup> November was erroneously omitted from the appendices.
- 5.4 The renegotiated terms of the Dimensions contract have delivered significant savings. Pre and Post negotiation values are set out in the table below:

Provider	Contract End Date	Contract Value 2012/13 £	Contract Value 2013/14 £	Savings £
Dimensions	31/3/13	162,280	96,250	66,030

## 6. Comments of the Chief Finance Officer and financial implications

- 6.1 The Housing Related Support Service was required to make savings in the sum of £1.5m in 2012/13 and a further £0.5m in 2013/14. A review of all live contracts has taken place. Six of these tendering arrangements have now been completed. New contracts have been entered into for all of the remaining contracts and the majority have delivered savings. If tendering requirements are waived, it is possible to deliver these savings faster and more efficiently. This will help the Service meet their savings targets on time. It is expected that it will be possible to save up to £4.2m over the lifetime of the contracts.

## 7. Comments of Head of Legal Services and legal implications



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- 7.1 The contract which is the subject of this report is not considered priority activity services under the Public Contracts Regulations 2006 and are therefore not subject to European tendering requirements.
- 7.2 Adult and Housing Services Directorate (the Directorate) seeks a retrospective waiver of the tendering requirements set out in CSO 9.01 (requirement to tender).
- 7.3 The waiver is based on the grounds set out in CSO 10.01.2 (d) i.e. that a waiver is in the Council's overall interest.
- 7.4 The Leader has power to approve both the waiver of CSOs and the award of contract under CSO 16.02.
- 7.5 The Head of Legal Services confirms that there are no legal reasons preventing the Leader from approving the recommendations in this report.

## **8. Equalities and Community Cohesion Comments**

- 8.1 A detailed Equalities Impact Assessment (EqIA) was completed in respect of the HRS Commissioning Plan and signed off by the Corporate Equalities Team. One of the actions from that EqIA was that for any major changes in service that arise from it will be subject to a separate EqIA.
- 8.2 For the contract referred to in this report, there are no major changes in service therefore a separate EqIA is not required.

## **9. Head of Procurement Comments**

- 9.1 The recommendations are compliant with the Procurement Code of Practice,
- 9.2 The HRS Commissioning Plan sets out a long term approach to deliver a VFM service that meets the needs of the residents of Haringey.
- 9.3 Contract monitoring is in place to ensure that the risk of non compliance is minimised and the quality of service provision is sustained.
- 9.4 Contract prices have been benchmarked against the North London Strategic Alliance to ensure we are receiving competitive prices.

## **10. Policy implication**

- 10.1 The Council's policy is set out in Haringey's Housing Strategy 2009-2019, Homelessness Strategy 2012-2014 and Haringey's Housing Related Support Commissioning Plan 2012-2015.



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10.2 The Council's policy priorities include support to enable people to live independently for as long as possible, ensuring that support is targeted at those most in need and that HRS resources are used appropriately to ensure the best possible value for money.

10.3 The proposed approach to contract negotiations and awards is in line with these priorities.

**11. Reason for Decision**

11.1 To ensure continuity of service to people with learning disabilities in need of HRS and also to ensure contract compliance with CSOs.

**12. Use of Appendices**

None

**13. Local Government (Access to Information) Act 1985**

13.1 Haringey's Housing Related Support Commissioning Plan 2012-15

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