

NOTICE OF MEETING

Cabinet Member Signing

TUESDAY, 2ND SEPTEMBER, 2014 at 11:00 HRS - CIVIC CENTRE, HIGH ROAD, WOOD GREEN.

Councillor Alan Strickland - Cabinet Member for Housing and Regeneration

AGENDA

1. URGENT BUSINESS

To consider the admission of any items of urgent business. New items of urgent business will be dealt with under Item 3 below.

2. WAIVER OF CONTRACT STANDING ORDERS FOR HOUSING RELATED SUPPORT CONTRACTS (PAGES 1 - 6)

(Report of the Interim Chief Operating Officer). The report seeks agreement to a waiver of tendering requirements, as allowed under Contract Standing Order 10.01.2(d), to permit the extension of nine contracts for housing related support to Black and Minority Ethnic (BME) service users.

3. NEW ITEMS OF URGENT BUSINESS

To consider any new items of urgent business admitted under Item 1 above.

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Haringey Council

Report for:	Cabinet Member Signing on 2 September 2014	Item Number:	
Title:	Waiver of Contract Standing Orders for Housing Related Support Contracts		
Report Authorised by:	Tracie Evans, Interim Chief Operating Officer Signed:		
Lead Officer:	Mustafa Ibrahim, Head of Commissioned Services Community Housing Services		
Ward(s) affected: All	Report for:		

1. Describe the issue under consideration

- 1.1 This report seeks agreement to a waiver of tendering requirements as allowed under Contract Standing Order 10.01.2(d) to permit the extension of nine contracts for housing related support to Black and Minority Ethnic (BME) service users.

2. Cabinet Member introduction

- 2.1 I am happy to recommend the extension of short term contracts in the interest of delivering modernised services that offer good value for money. The council's intention is to integrate services to Haringey's diverse communities, especially to newly arrived communities.

3. Recommendations

- 3.1 That the Cabinet Member approves the waiver of tendering requirements of Contract Standing Order (CSO) 10.01.2(d), on the grounds that it is in the Council's overall interest; and



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- 3.2 Approves the extension of nine contracts to current providers in the BME Sector for two years at the current contract values.

4. Alternative options considered

- 4.1 A tender process was considered but it was concluded that it would be likely to lead to an increase in the cost of BME contracts without a corresponding improvement in service delivery and quality.
- 4.2 The factors considered that influenced commissioning and procurement options are set out in section 6 of the report.

5. Background information

- 5.1. The Housing Related Support (HRS) programme funds support services for vulnerable people in Haringey. There are currently over 60 contracts for support to a wide range of client groups including those in the BME sector, older people; people with mental health problems or learning disabilities; women fleeing domestic violence; people with substance misuse issues; those at risk of re-offending and those at risk of homelessness.
- 5.2. The purpose of HRS is to enable individuals and families to maintain independence; and not to lose their housing and then require higher level interventions. Support typically comprises help to access welfare benefits, employment or training, health services, support to deal with issues such as correspondence, paying bills and managing finance; reducing or eliminating antisocial behaviour. In essence it is not personal or domiciliary care but may be delivered alongside care services.
- 5.3. Support can be delivered through an accommodation based service (short or longer term depending on need) or by floating support whereby support can cease when the service user has resolved their support issues. This floating support is the subject of these contracts and is essential in preventing homelessness.
- 5.4. HRS currently commissions nine BME organisations to provide housing related support to their communities. Based mainly in Community Centres BME providers offer a proactive point of contact for vulnerable clients, and are committed to providing a safe, sensitive, non-judgemental and non-oppressive support service.



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5.5. The previous extension of the contracts until 30 January 2015 was agreed by Cabinet on 13 November 2013.

5.6. The BME contracts proposed for award are:

Name of Provider	Annual Contract Value £
1. Cypriot Community Centre	20,790
2. Cypriot Elderly & Disabled Group	62,370
3. Embrace	10,350
4. Haringey Chinese Community Centre	31,185
5. Haringey Somali Community & Cultural Association	62,370
6. Kurdish Advice Centre	62,370
7. Kurdish Community Centre	41,580
8. PEEC Family Centre	25,988
9. Turkish Cypriot Women's Project	62,370
Total	379,373

5.7. The total cost of 2 year contract extensions, from 31 January 2015 to 30 January 2017 projected at the present rate would be £758,746.

5.8. Funds are available within the Housing Related Support Programme budget to meet the cost of the proposed extension of these contracts.

6. Commissioning and Procurement Approach

6.1 Analysis of the market with stakeholders shows that undertaking a successful procurement exercise at this stage would require further scoping of the market for BME services, to ensure needs are identified and understood. This is particularly the case for those groups not served by the current contracts. To inform this, a pilot was commissioned to provide housing related support to newly emerging community groups in Haringey and to identify unmet needs. Unfortunately, to date this has produced insufficient data to form the basis of future commissioning decisions.

6.2 A second factor in the commissioning of these services is that currently service users access support mainly through community centres. This approach may not be appropriate or sustainable in future. The Council's Customer Service Transformation Programme provides an opportunity to reconsider this and align the BME contractual arrangements with the Council's future arrangements. This could mean that BME referrals and access to support are standardised and more efficient in future.



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- 6.3 Thirdly, the proposed extension will enable consideration to be given to whether services can be jointly commissioned and monitored alongside Adult Services' voluntary sector contracts which are due to be re-let in August 2015.
- 6.4 Finally, the cost of BME contracts is currently below the £16-£19 per support hour benchmark agreed and established by the North London Strategic Alliance. The HRS Programme's Value for Money (VFM) assessment confirms that services are being delivered at a price lower than other floating support contracts in the HRS programme. It is likely that tendering at this stage will increase costs to the Council.
- 6.5 For the reasons above, a short term renewal of existing contracts is proposed. The additional lead in period to procurement would enable all the above factors to be considered and inform more effective commissioning. In addition to improved access, there is an opportunity to remodel the support provided and build capacity, to ensure that the current predominantly community centre based approach is sustainable and focuses on housing related support.
- 6.6 The waiver of tendering requirements and the extension of contracts is proposed with the current providers under the same specification, terms and conditions for two years to January 2017 at the current contract values.

7. Comments of the Chief Finance Officer and financial implications

- 7.1 The current contracts detailed in paragraph 5.6 are due to expire on 30th January 2015. If the extension of the contracts for a further two years is approved then the costs of these contracts will remain at the existing total of £379,373 per annum.
- 7.2 The 2014/15 budget for Housing Related Support is £10.336m. The required base budget savings for the Housing Related Support programme in 2014/15 stand at £0.350m. The Service is on target to meet these savings this year.
- 7.3 Financial provision exists within the Housing Related Support budget to meet the costs of extending these contracts to January 2017.
- 7.4 An appraisal of procurement options concluded that a re-tender exercise at this time would be unlikely to deliver better value for money. Better outcomes would be possible if this exercise was aligned with the Council's Customer Service Transformation programme. This would achieve better value for money through targeted efficient allocation of resources and better access to services by those in need.



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8. Comments of the Assistant Director of Corporate Governance and legal implications

- 8.1 The Assistant Director of Corporate Governance notes the contents of the report.
- 8.2 The services which are the subject of this report are not considered priority services under the Public Contracts Regulations 2006 (as amended). Therefore they are not subject to European tendering requirements.
- 8.3 A waiver of tendering requirements as set out in Contract Standing Orders is recommended on the basis that it is in the Council's overall interests as allowed for under CSO 10.01.2 (d). Should the Cabinet Member see fit to approve the waiver, a recommendation is made that the nine contracts are extended for a period of two years.
- 8.4 The Cabinet Member has power under CSO 16.02 to approve the recommendations.
- 8.5 The Assistant Director of Corporate Governance confirms that there are no legal reasons preventing the Cabinet Member from approving the recommendations in this report.

9. Equalities and Community Cohesion Comments

- 9.1 Equalities monitoring are incorporated as a requirement of the contract and the contract also states that access to the service must be available to the diverse community of the borough and any imbalances must be addressed.

10. Head of Procurement Comments

- 10.1 The Council is considering reshaping services to the BME community based on analysis work currently underway of user requirements and market capacity.
- 10.2 Until this analysis work is completed and any new service delivery models have been developed, there is little to be gained in conducting a competitive tendering exercise.
- 10.3 The Head of Procurement therefore supports the proposal for short-term re-letting of contracts for two years on the basis that this would apply to existing service providers that are meeting the performance standards expected.

11. Policy Implication



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11.1 These services are linked to the Service's Business Plan and to the following Council Plan Priorities.

- **Opportunities for all – A successful place for everyone**
To ensure that everyone has a decent place to live
- **Safety and Wellbeing for all - A place where everyone feels safe and has a good quality of life.**
Reducing health inequalities and improved wellbeing for all.
Supporting independent living
- **A better council - Delivering responsive, high quality services and encouraging residents who are able to help themselves to do so.**
Strive for excellent value for money

12. Reasons for Decision

- 12.1 The tendering of the specified contracts which have expired is unlikely to provide better value for money or improvements.
- 12.2 Re-letting of the contracts will give officers sufficient time to conclude consultation with service users and stakeholders, and to pursue the options necessary to remodel the service.

13. Use of Appendices

- 13.1 None

14. Local Government (Access to Information) Act 1985

- 14.4 None