

## **NOTICE OF MEETING**

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# **Cabinet Member Signing**

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TUESDAY, 17TH FEBRUARY, 2015 at 13:00 HRS – Civic Centre.

MEMBERS: Councillor Alan Strickland, Cabinet Member for Housing and Regeneration

### **AGENDA**

#### **1. URGENT BUSINESS**

The Leader/Cabinet Member will advise of any items they have decided to take as urgent business.

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

The report will seek agreement from the Cabinet Member for Resources and Culture to approve a waiver of tendering requirements, as allowed under Contract Standing Order 10.01.2(d), to permit the extension of six contracts for housing related support to service users with learning disabilities.

#### **3. NEW ITEMS OF URGENT BUSINESS**

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

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Date: 9<sup>th</sup> February 2015



**Haringey Council**

<b>Report for:</b>	<b>Cabinet member signing on 17 February 2015</b>	<b>Item Number:</b>	
<b>Title:</b>	<b>Waiver of Contract Standing Orders for Housing Related Support Contracts</b>		
<b>Report Authorised by:</b>	<b>Tracie Evans, Interim Chief Operating Officer</b>  Signed:		
<b>Lead Officer:</b>	<b>Mustafa Ibrahim, Head of Housing Commissioning</b>		
<b>Ward(s) affected: All</b>	<b>Report for: Key Decision</b>		

**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 six contracts for housing related support to service users with learning disabilities.

**2. Cabinet Member introduction**

- 2.1 I support the extension of contracts in the interest of delivering modernised services that offer good value for money.

**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 six contracts to current providers of Learning Disabilities (LD) services listed in 5.4 below for a maximum of two extensions of up to one year each.

#### **4. Alternative options considered**

- 4.1 Procurement of new contracts for April 2015 was considered, however this would not enable the efficiencies and improvements that can be gained in strategic commissioning exercises with partners during the next two years, and may result in an increase in the price of contracts without corresponding value for money benefits.

#### **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 with learning disabilities; older people; people with mental health problems or physical 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. The LD contracts are accommodation based services and are essential for preventing homelessness and escalating needs.



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5.4. The LD contracts proposed for extension are:

Name of Provider	Annual Contract Value £
1. HAIL LTD LDP	37,645
2. HAIL LTD Sheba House	79,253
3. HAIL LTD Supported Living	192,188
4. Marcus & Marcus	29,720
5. Norwood Supported Accommodation	39,626
6. Dimensions	96,250
<b>Total</b>	<b>474,682</b>

5.5 The extension of these contracts is required to follow the expiry of the current contracts on 31 March 2015, which was previously agreed by Cabinet on 13 November 2013.

5.6 The total cost of two year contract extensions from 1 April 2015 to 31 March 2017 projected at the present rate would be £949,364.

5.7 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 The HRS Commissioning Team has agreed with the Corporate Procurement Team and Adult Social Services that rather than move to procurement for new contracts immediately, a waiver of tendering requirements should be sought.

6.2 The proposed extension will enable the re-commissioning of LD services to come within the scope of a Supported Housing Review of long term services including LD. The review will provide current evidence of needs to inform the remodelling of services that will then be procured.

6.3 Adults' care commissioners will shortly be procuring services in this area. A joint or aligned commissioning approach has been agreed by commissioners as required in the context of the preventative agenda of the Care Act. Referrals into HRS services are solely from Adults Social Services. It is recognised that there is need to remodel HRS and care services to ensure there is a better fit to service users' requirements.



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- 6.4 The cost of the LD contracts is currently within the £16-£19 per support hour benchmark agreed and established by the North London Strategic Alliance. Procurement without remodelling may increase rather than decrease the cost of services and there is no value for money imperative to re-tender the contracts at this stage
- 6.5 For the reasons above, an extension of existing contracts for a maximum of two extensions of up to one year each is proposed. The additional lead in period to procurement would enable the above factors to be considered and inform more effective commissioning.
- 6.6 The waiver of tendering requirements and the extension of contracts are proposed with the existing providers under the current specification, terms and conditions and contract values.

**7. Comments of the Chief Finance Officer and financial implications**

- 7.1 The current contracts detailed in paragraph 5.5 are due to expire on 31st March 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 £475K per annum.
- 7.2 The 2014/15 budget for Housing Related Support is £10.084m. The proposed base budget savings for the Housing Related Support programme for 2015/16 is £0.550m.
- 7.3 Financial provision exists within the Housing Related Support budget to meet the costs of extending these contracts to March 2017.
- 7.4 An appraisal of procurement options concluded (Para 4.1 refers) that a re-tender exercise at this time would be unlikely to deliver better value for money.

**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 are not considered priority services under the Public Contracts Regulations 2006 (as amended). Therefore there is no requirement to follow a European tender exercise.



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- 8.3 A waiver is requested on the grounds that it is in the Council's overall interest. This is allowed under CSO 10.01.2 (d).
- 8.4 The Cabinet Member has power to approve the waiver under CSO 10.01.1 (a) (waivers of £250,000 or more) and CSO 16.02 (Decisions required in between Cabinet Meetings).
- 8.5 Should the Cabinet Member see fit to approve the waiver, an extension of contracts for a period of up to two years is requested. This is allowed under CSO 10.02.2.
- 8.6 The extension of the contracts is a Key Decision and, as such, has been included in the Forward Plan in accordance with the Council's constitutional requirements.
- 8.7 The Assistant Director of Corporate Governance confirms that there are no legal reasons preventing the Cabinet Member from approving the recommendations in the report.

**9. Equalities and Community Cohesion Comments**

- 9.1 The contracts require providers to ensure that access to the service is available to the diverse communities within the borough and to monitor and report on service user profiles including protected characteristics. This is reviewed regularly with providers and if there are equalities or indeed any issues with delivery of the services, providers are required to take appropriate action to resolve this.

**10. Head of Procurement Comments**

- 10.1 Central Procurement support the recommendation on the basis that these services will form part of a wider strategic commissioning plan that will enable more efficient and effective deliver of services.
- 10.2 Although the extension is for a maximum of 2 years the procurement process to procure the remodelled services will need to commence 12 months before these contracts expire.

**11. Policy Implication**

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



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- **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 Procurement at this stage may not provide a good outcome for the Council and does not represent best use of resources.
- 12.2 The extension of the contracts will give officers both in HRS and Adults Services sufficient time to re-align and joint commission appropriate services.

## **13. Use of Appendices**

- 13.1 None

## **14. Local Government (Access to Information) Act 1985**

- 14.4 None