

Report for: Cabinet Member Signing

Title: Variation and Extension of the Engage Haringey Floating Support contract with Riverside

Report authorised by: Gill Taylor, Assistant Director for Communities and Housing Support

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Ward(s) affected: All

**Report for Key/
Non-Key Decision:** Key Decision

1. Describe the issue under consideration.

- 1.1. This report seeks Cabinet Member approval to implement Contract Standing Order 10.02.1b, to extend and vary the current contract for the Provision of Housing Related Floating Support Services for two lots (floating support for families and floating support for couples and singles without children) delivered by The Riverside Group Limited.
- 1.2. The estimated value of the service for the extension period will be £3,995,000 and the total value of the whole lifecycle of the contract is £7,315,000.

2. Cabinet Member Introduction

- 2.1. Not applicable

3. Recommendations

- 3.1. For the Cabinet Member for Health, Social Care and Well-being to approve the following:
- 3.1.1. the extension of the existing contract for the Provision of Housing Related Floating Support Services for two lots (floating support for families and floating support for couples and singles without children) delivered by The Riverside Group Limited for a further period of 4 years from 1st April 2023, as allowed under the terms of the contract and in accordance with Contract Standing Orders (CSO) 10.02.01 (b) and CSO 16.02; and
- 3.1.2. a variation of the contract price from £4,520,000 to £3,995,000 for the duration of the contract extension period from 1st April 2023 to 31st March 2027.

- 3.2 For the Cabinet Member for Health, Social Care and Well-being to note that the reduction in contract price referred to in paragraph 3.1.2 above will trigger a reduction in service delivery as set out in Appendix 1 – Part B (exempt information) of this report.

4. Reasons for decision

- 4.1. In 2018 the Homelessness Reduction Act brought about a range of changes to the way that local authorities respond to households who are homeless or at risk of homelessness. A key element of the legislation is an extended duty, for the Council and its partners, to prevent homelessness at the earliest possible stage. This focus on early prevention will be a key element of these floating support services and the services will therefore support the Council in meeting its statutory duty.
- 4.2. There continues to be a clearly identified need within Haringey for services to support residents with the wide-ranging factors that contribute to and cause homelessness. These floating support services will help to meet that need, providing a flexible and person-centred service which will support clients in a holistic way to maintain or establish sustainable housing and overcome problems that can contribute to homelessness.
- 4.3. The contract for the Provision of Housing Related Floating Support Services for two lots (floating support for families and floating support for couples and singles without children) was awarded for a period of three (3) years commencing from 1st April 2020 to 31st March 2023 with an option to extend for a further period/period of up to a total of four (4) years. The contract extension will enable the Council to ensure continuity of these services, which plays an integral role in the delivery of Haringey's Homelessness and Rough Sleeping Strategies by: helping to prevent and relieve homelessness and reducing the use of temporary accommodation.
- 4.4. Investment in prevention-focused services represents good value for money for the Council, as failure to prevent homelessness and ensure suitable, good-quality housing results in significant personal cost to residents and financial cost to the Council. The principal aim of this service is to enhance access to information, advice and guidance to those facing the most unequal risk of homelessness in the borough.
- 4.5. The contract performance has been evaluated as good throughout the contract period. Key Performance Indicators and methods of measurement are integrated within the service specification and are monitored through contract monitoring meetings and reports.
- 4.6. Given the above reasons, it is beneficial to extend the existing contract for an additional 4 years to give sufficient time to explore sourcing models, service delivery pathways and then, if required, to carry out a tender process for new services.

5. Alternative options considered.

- 5.1. **Do nothing:** the Council could elect not to extend these Floating Support services. However, this would leave Haringey without a service to support households to prevent and resolve housing and homelessness issues. This would be likely to cause an increase in cases of homelessness within the borough, which would have a significant detrimental impact on the residents affected as well as increasing demand for statutory services to respond to cases of homelessness which could have been avoided, had floating support been available. Therefore, the option of doing nothing was considered and rejected.
- 5.2. **Deliver the services in house:** the Council could elect to offer these Floating Support services in house. However, the investment required to create the capacity to develop such services, and to manage them on an ongoing basis, would be significantly greater than the cost of commissioning services from the current provider. This would also be a process that takes time; the extension period would allow sufficient time to carry out a full options appraisal to see if this would be viable in the future. The provider has expertise and a track record in delivering these services which will ensure the continuation of a high-quality service for residents and good value for the Council. In addition, some of the work undertaken by these services involves ensuring that decisions made by the Council and other public bodies are correct, and therefore it is appropriate that such services are delivered by an external provider.

6. Background information

- 6.1. The Housing-Related Support programme funds supported accommodation, floating support, health and specialist advice services for housing vulnerable people in Haringey. There are currently over 60 contracts for a wide range of resident groups including: older people; people with mental health needs; learning and physical disabilities; young people; survivors of domestic violence; people with substance misuse issues; those at risk of re-offending and those at risk of homelessness and rough sleeping.
- 6.2. The overall aim of these floating support services is to provide high-quality short-term housing-related support to single adults and couples (without children and families) and assist them to develop or strengthen their independent living skills and, ultimately, prevent homelessness.
- 6.3. Since the commencement of the contract, Riverside have established close working relationships with a range of key statutory and voluntary partners in Haringey which are beneficial to our residents who require their support. The provider has the necessary expertise to carry out this area of work, with the Housing-Related Support Service within the Adults and Health directorate undertaking regular contract monitoring and performance reviews to ensure that quality standards are met, the service delivers value for money and requisite outcomes are delivered for residents.

- 6.4. The current contract expires on 31st March 2023. There is an option to extend the contract for up to four years until 31 March 2027. Contract delivery is satisfactory and therefore it is most efficient to implement the contract extension.
- 6.5. The Council's approach to its annual budget setting has also been markedly different this year, in that it reflects the fundamentally changed environment we operate in as we recover from the pandemic.
- 6.6. The General Fund Medium Term Financial Strategy (MTFS) 2022-2027 highlights the Council's statutory requirement to set a balanced budget. The reduction in contract price forms a key part of the budget setting process to ensure the Council's finances for the medium term are maintained on a sound basis as set out in Appendix 1 – Part B (exempt information) of this report.
- 6.7. Reducing the contract value will mean a small reduction in support available to residents experiencing difficulties with their housing. However, there are a range of other services and provisions available, in addition to what was available when the contract was initially tendered in 2020. As such, we are confident that there remains a robust housing-related support offer in the borough for residents who need it.

7. Contribution to strategic outcomes

- 7.1. The provision of floating support services contributes significantly to the Council's strategic outcomes under the Borough Plan 2019 – 2023, in particular:
- 7.2. Priority 1: Housing, outcome 2: *We will work together to prevent people from becoming homeless, and to reduce existing homelessness.*
The floating support service significantly contributes to the delivery of this outcome by providing support which enables individuals to manage their housing and manage finances, to support their housing. The service also provides advice and tenancy sustainment, supporting clients to respond to issues which may threaten the stability of their housing situation.
- 7.3. Priority 1: Housing, outcome 3: *We will work together to drive up the quality of housing for everyone.*
The floating support service contributes to delivery of this outcome by providing support which enables individuals to manage their housing and relationship with their landlord, driving improvements in the quality of their housing.
- 7.4. Priority 2: People, outcome 7: *All adults can live healthy and fulfilling lives, with dignity, staying active and connected in their communities.*
The floating support service contributes to delivery of this outcome by supporting clients to stay healthy, including by supporting access to healthcare, engagement in physical activity and access to good nutrition.

7.5. Priority 2: People, outcome 8: *Strong communities where people look out for and care for one another.*

The floating support service contributes to delivery of this outcome by focusing on developing peer support and user-led social initiatives, with clients supported to build positive relationships and engage with their communities.

7.6. The services support the Council to meet its duties under the Homelessness Reduction Act 2017 to prevent homelessness and provide services giving information and advice on preventing homelessness.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Head of Legal and Governance, Equalities)

8.1. Finance

8.1.1. The report seeks to vary and extend the length and total value of the contract to Riverside Group awarded for the provision of Floating Support Services for up to three years from 1st April 2020 to 31st March 2023 with the option to extend for up to four years. The total contract value already awarded for the three years was £3,320,000. The extension value for four further years agreed in the original awarded contract was £4,520,000.

8.1.2. This report request approval to award a further four years from 1st April 2023 to 31st March 2027 at a total price of £3,995,000. This is a reduction of £525,000 from the agreed extension value in the awarded contract. The total aggregated contract value for the 7 years will be £7,315,000.

8.1.3. The contract is currently being funded from the approved general fund allocated to the Housing Related Support Services. The requested extension will continue to be funded from Housing Related Support Services subject to Cabinet approval for the 2023-24 to 2026-27 budgets. The contract extension is not expected to present additional financial pressures.

8.2. Procurement

8.2.1. This provision falls within the ambit of the Light Touch Regime Schedule 3 of the Public Contracts Regulation 2015 (PCR) and was duly advertised and tendered as required.

8.2.2. A change in a contract post award usually requires a new tender process unless it falls within the permitted allowances under section 72 of the PCR. The requests for extension and contract price variation, both are permitted under section 72.1 (a) and 72.5 (a) & (b) respectively. The review clause allowing an extension was provided for as part of the initial procurement and contract process. The price variation is insubstantial; it's under threshold and less than 10% of the original contract value.

8.2.3. This request also meets the requirements of CSO 10.02.01 (b) and 16.02, and the Procurement Code of Practice.

- 8.2.4. The Homelessness Reduction Act 2017, which came in to force on 3rd April 2018, places new duties on local authorities to intervene at earlier stages to prevent homelessness in their areas. These floating support services provide a wide range of services to single adults and couples (without children and family) who are homeless or at the risk of losing their home and to prevent homelessness at the earliest possible stage. It is therefore supporting the Council in meeting its statutory obligations.
- 8.2.5. The provider is delivering satisfactory services that meet contractual outcomes it would not be beneficial for the Council or service users to expend unnecessary resources going out to tender and disrupting service provision. Moreover, the commissioning will continue to monitor the contract during the contract extension period to ensure that quality standards are met, the service delivers value for money and requisite outcomes are delivered for residents.
- 8.2.6. Considering the above, Strategic Procurement supports the recommendation in paragraph 3.1 and 3.2.

8.3. **Legal**

- 8.3.1. The Head of Legal and Governance has been consulted in the preparation of this report.
- 8.3.2. The contract extension and variation referred to in the recommendations at paragraph 3 of the report are within the scope of the Public Contracts Regulations 2015 (“the Regulations”), in particular Regulation 72 of the Regulations which, governs modifications to contracts. The contract extension is permissible under Regulations 72(1)(a) as it is an optional extension specifically provided for in the original contract as tendered. The price variation/reduction, though not originally envisaged, is permissible under Regulations 72(f) and 72(5) which allows for modifications of this value to be made given that they don’t alter the overall nature of the contract.
- 8.3.3. Pursuant to Contract Standing Order 16.02 and Contract Standing Order 10.02.1(a), the Cabinet Member has authority to approve the extension referred to in the recommendations.
- 8.3.4. The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing the Cabinet Member for Health, Social Care and Well-Being from approving the recommendations in the report.

8.4. **Equality**

- 8.4.1. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act.

- Advance equality of opportunity between people who share those protected characteristics and people who do not.
 - Foster good relations between people who share those characteristics and people who do not.
- 8.4.2. The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex, and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- 8.4.3. The decision is to approve a variation and extension for up to a 4-year period for the existing provision of floating support services delivered by Riverside.
- 8.4.4. Those most likely to be affected by the decision are service users and potential service users of floating support services. Service level data from the existing services shows that service users reflect the demographic makeup of the borough of Haringey.
- 8.4.5. Floating support services provide support to ensure that individuals can find and maintain suitable housing that meets their needs, as well as to manage other aspects of living a fulfilled and happy life.
- 8.4.6. This decision to extend for up to 4 years will help ensure that the Council continues to address known inequalities that affect individuals with protected characteristics relating to age, sex, race, and disability. Accordingly, the decision represents progress to eliminate discrimination and advance equality of opportunity.

9. Use of Appendices

- 9.1. Appendix 1 – PART B Exempt Information

10. Local Government (Access to Information) Act 1985

- 10.1. This report contains exempt and non-exempt information. Exempt information is contained in the exempt report (Appendix 1) and is not for publication. The exempt information is identified in the amended schedule 12 A of the Local Government Act 1972, under category (3), information in relation to the financial or business affairs of any particular person (including the authority holding that information).