

Agenda item:

**[No.]**

**Procurement Committee**

**on 22<sup>nd</sup> July 2010**

Report Title. **Waiver and Award of Supporting People Contract – Home Improvement Agency**

Report of: **Mun Thong Phung, Director of Adult, Culture & Community Services**

Signed:

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Wards(s) affected: **All**

Report for: **Key Decision**

**1. Purpose of the report:**

- 1.1 Members agreement is sought for the Waiver and Award of the Home Improvement Agency contract in line with the CSO 6.05 on the basis of the ground in CSO 7.03(d) and CSO 11.03 as set out in this report.

**2. Introduction by Cabinet Member**

- 2.1 The Home Improvement Agency (HIA) is an excellent and unique service that provides housing with support, practical and flexible help to Older Persons in their own home and contributes to community safety. The service continues to deliver at a consistently high standard and represents very good Value for Money.

### **3. State link(s) with Council Plan Priorities and actions and /or other Strategies:**

#### **3.1 Council Plan Priorities**

- . Encouraging lifetime well being at home, work, play and learning
- . Promoting independent living while supporting adults and children in need
- . Delivering excellent customer focused cost effective services

3.1.1 The Supporting People (SP) programme specifically provides housing related support to the most vulnerable people in the Borough. Since the inception of the programme these have been categorised into several categories, which include Older People, Single Homeless, Homeless Families, People with Mental Health Problems, People with Learning Difficulties, People with Physical Disabilities, Young People at Risk, Young People Leaving Care, Teenage Parents, Women at risk of Domestic Violence and others

3.1.2 The Supporting People strategy (2005-10) co-ordinates and compliments the following Corporate strategies:

- Community Strategy
- Council Plan
- Wellbeing Strategic Framework
- Children and Young Peoples Plan
- Safer for all ( Safer Communities Plan)
- Housing and Homelessness Strategies

3.1.3 The links with these strategies are encompassed into sector reviews and consultation with Corporate Strategic Partners in Commissioning Services, Community Safety and Housing as well as Statutory Partners in the PCT and London Probation. Senior Officers from representative departments continue to sit on the Supporting People Partnership Board (SPPB) and contribute to the governance of this programme.

3.1.4 The Supporting People team are located within the Adults, Culture and Communities Directorate and work closely with Commissioning Managers in Adult Services. A consistent approach is being taken with re-tendering and re-negotiating contracts, which include the development of Framework Agreements.

#### **3.2 Creating a Better Haringey: cleaner, greener and safer**

All re-tendering and re-commissioning of contracts include within the process an explicit requirement for compliance, by Support Providers to Sustainable Procurement.

#### **3.3 Promoting independent living while supporting adults (and children) when needed.**

The Supporting People programme exists for vulnerable adults and, its very ethos is to promote independent living to some of the most vulnerable, insecure and

socially excluded individuals, or groups, in the Borough.

**3.4 Delivering excellent, customer focused, cost effective services.**

The Supporting People programme has well established recognised, models of governance and monitoring for all services for which they are responsible. These include the completion of quarterly PI workbooks, Value for Money (VfM) assessments and Service Reviews, where the quality standards of the service are reviewed against a national framework (QAF). These are monitored against the successful Support Provider, for each of their respective services, for the duration of the Contract. Emphasis is being placed into the new Contract Specification on Performance Outcomes, linked to the Local Area Agreement (LAA) targets.

**4. Recommendation**

- 4.1 To seek approval of Members to waive the Council's requirement for tendering Contracts under CSO 6.05 on the basis of the ground in CSO 7.3 (a) and (d) that HIA is the only accredited provider in borough and it is therefore, not in the Council's overall interest to undertake a costly tendering exercise.
- 4.2 To seek approval of Members to Award a new contract to Metropolitan Housing Trust (MHT) for two years from 1 August 2010 to 31 July 2012 as required by CSO 11.03.
- 4.3 The total value of the contract will be £265,890 over two years (£132, 945 per annum.)

**5. Reasons for Recommendation(s)**

- 5.1 The Haringey Care and Repair Scheme was established in partnership with Metropolitan Housing Trust (MHT) in 1991. The aim of the service is to provide advice and technical service to clients requiring repairs, improvements and adaptation to their homes. The service is targeted at elderly and disabled home owners and private tenants in Haringey.
- 5.2 The existing Provider brings match funding to the service. The HIA receives funding totalling £287,195.65 of which £132,000 is through Supporting People programme grant.
- 5.3 To be able to provide an HIA service the agency has to be accredited on a geographical basis to Foundations (the National trade organisation for HIA's). Foundations have confirmed that MHT is the only accredited organisation for Haringey. The HIA provides a high quality and effective service, having been assessed at level B of the Quality Assessment Framework (QAF) and receiving commendations from all of its stakeholders. The main areas of activity are delivered in the following way:
- Technical help, through assistance to carry out repairs, improvements and adaptations in resident's homes

- Energy efficiency and affordable warmth
- Handypersons scheme
- Hospital discharge/ accident prevention
- Home security projects/Care and Repair and Anti-burglary project
- Care and Repair in the garden
- Financial matters/advice and advocacy on home improvement/adaptation.

- 5.4 HIA actively targets Black Minority Ethnic (BME) groups in enabling provision of services. The service has achieved a high success rate (63.56%) in helping BME) owner occupiers in carrying out building works.
- 5.5 The HIA also host regular advisory committee meetings to oversee the operation of the service members of the committee include Age Concern, Metropolitan Police Residents, Age Concern, and they also work closely with the Good Neighbourhood Scheme as well as the Supporting People Programme.
- 5.6 In the financial year 2008/09 the HIA visited 4,288 households and dealt with 6,503 enquiries. In the financial year 2009/10 the HIA visited 4,285 households in their home at least once and dealt with over 6,586 enquiries.
- 5.7 It will be seen that there is a consistent level of service delivery with no increase in Supporting People funding over the last two years. The service can be maintained due to the match funding that is brought to the service by the Provider.
- 5.8 During the financial year 2009/10 the HIA visited 134 new building clients, 201 anti burglary cases, 120 gardening clients, 315 burglary hotspots and 64 persons discharged from hospital of which 33 received a free emergency shopping service.
- 5.9 There is no anticipated efficiency saving in this contract, however at an annual contract value of £132,000 the service provides extremely high value for money and has attracted additional funding directly from the CLG (£50,000 in 2009/10 and £70,000 in 2010/11).
- 5.10 With a re-negotiated contract this reliable and effective service will be maintained and potentially, enhanced, if further Central Government grants are made available for specific projects, which will continue to benefit the residents of Haringey.

## **6. Other options considered**

- 6.1 The option to carry out a tendering process was considered, however there are a number of restrictions which would prohibit this option such as being accredited to the Foundation (the Skills Body which accredited Home Improvement Agencies) MHT are the only accredited organisation for the LB Haringey as the accreditation process is based on a geographical basis. The timescales for any other organisation to become accredited would not allow them to take part in any tendering process that Supporting People are currently working to.

## **7. Summary**

- 7.1 The uniqueness of the HIA is that they are organisations that operate on a geographical basis, specific to a Borough or Local Authority establishing professional relationships with a number of voluntary and statutory agencies in the respective Boroughs. This has been no exception in Haringey, where in addition to the monitoring requirements of the Council through the SP Programme, additional quality and validation checks are administered by Foundations (the National Trade Organisation) to which the HIA is registered.
- 7.2 Contract monitoring of the service in order to meet compliance includes the completion of quarterly PI workbooks, Value for Money (VFM) assessments and Service Reviews (annually). In addition spot checks are carried out where the quality standards of the service are reviewed against a national framework (QAF). These are monitored against the successful Support Provider, for the duration of the Contract. Emphasis is being placed into the new Contract Specification on Performance Outcomes, linked to the Local Area Agreement (LAA) targets.

## **8. Chief Financial Officer Comments**

- 8.1 This report requests that a contract be awarded to for a period of 2 years at a cost of £132k per annum.
- 8.2 The Supporting People Programme Grant is currently £18.6m. However, on announcement of the Comprehensive Spending Review later this year it is anticipated that this funding allocation will reduce by up to 20% over 2 years, an estimated reduction of £3.7m. The Supporting People Team are currently renegotiating and re-tendering the majority of contracts in order to secure value for money throughout the service.
- 8.3 This contract has not been renegotiated and is deemed to provide value for money. The HIA deals with circa 6500 enquires and 4000 visits per annum.
- 8.4 The HIA have managed to source additional funding for specific projects from the CLG. Without a contract with Supporting People this funding allocation would not be secured.
- 8.5 The contract in the main provides a preventative rather than statutory service, but does administer the Disabled Facilities Grant which in itself is a statutory requirement. It is possible that without this service living conditions for vulnerable people could become such that they fall or become ill and require longer term expensive care from the Adults commissioning budgets.
- 8.6 It is unlikely that this contract will be affected by the introduction of Personal Budgets through the Transformation Agenda as service recipients fall below Haringey's FACS criteria thresholds.

## **9. Head of Legal Services Comments**

- 9.1 Adults, Culture and Community Services Directorate (ACCS) requests a waiver of tendering requirements in respect of the Home Improvement Agency Contract.
- 9.2 The services are not priority activity services under the Public Contracts Regulations 2006 so there is no requirement to follow a European tendering exercise.
- 9.3 Because of the value of the contract, the waiver must be approved by the Procurement Committee in accordance with CSO 7.02 (a).
- 9.4 The waiver is requested on the grounds that it is in the Council's overall interest in accordance with CSO 7.03 (d).
- 9.5 Should the Procurement Committee see fit to approve the waiver, ACCS requests an award of contract in accordance with CSO 11.03.
- 9.6 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in this report.

## **10. Head of Procurement Comments**

- 10.1 The recommendation is in line with the rules of the Council's Contract Standing Orders.
- 10.2 This is a Part B service of the EU directives and thus exempt of the EU tendering rules. The service is providing vfm and attracting additional funding directly from CLG.
- 10.3. Contract monitoring is carried out to ensure Performance Outcomes linked to the LAA are on target

## **11. Equalities & Community Cohesion Comments**

- 11.1 Throughout the tender process equalities were taken into consideration.
- 11.2 An equalities impact assessment was conducted through the evaluation of workforce development, capacity, collaborative working and service users.
- 11.3 All contracts require that providers to comply with all relevant legislation.
- 11.4 The HIA actively targets Black Minority Ethnic (BME) groups in enabling provision of services. The service has achieved a high success rate (63.56%) in helping BME owner occupiers in carrying out building works.

**12. Consultation**

12.1 Consultation continues through the Advisory Panel which meets bi-annually.

**13. Service Financial Comments**

13.1 The contract value remains at £132k and this can be contained within the SP Programme budget allocation for this scheme. Although there is no reduction in the allocated funds, the provider has accessed additional external funding and in overall terms offers Haringey residents an improved level of service. The numbers of clients being supported has remained constant despite the level of funding remaining static over 3 years.

13.2 It is noted that there is an expectation that SP funding will reduce over time and the SP team will need to continue to review and reduce the value of the contracts to stay within the overall allocation available to the Supported People programme

**Efficiencies**

There are no efficiency savings in relation to the funding being awarded by SP for this contract, however, the organisation has accessed additional external funding for Haringey clients and therefore an improved level of service is being offered.

**14. Use of appendices /Tables and photographs**

14.1 Not Applicable

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

N/A.