

**Report for:** Delegated Decision

**Item number:** N/A

**Title:** Request for a waiver of the Contract Standing Order and the award of the Home Sweet Home (HSH) Contract to Metropolitan

**Report**

**authorised by :** Dan Hawthorn – Director of Housing and Growth

**Lead Officer:** Claire Drummond – Commissioning Manager, Housing Related Support

**Ward(s) affected:** All

**Report for Key**

**Non Key Decision:** Non Key Decision

## 1. Describe the issue under consideration

1.1 The current Home Sweet Home Contract is due to expire 31<sup>st</sup> July 2017. The Priority 5 Board commissioned the Supported Housing Review to set out a vision, principles and recommendations that will ensure that housing support is able to meet the needs of vulnerable residents now and in the future. In order to ensure continuity whilst allowing for the implementation of the recommendation of the Supported Housing Review, it is necessary that the contract be awarded to the present contractor.

1.2 The report seek approval for a waiver of the Council Standing Order (CSO) and the authorisation to award the Home Sweet Home Contract to Metropolitan (the current contractor) for a term of 12 months upon the same terms and conditions as the current contract at a value of £158.080 with an option to extend the contract for a period of 12 months.

## 2. Recommendations

2.1 For the Director of Housing and Growth to waive the requirement of CSO 9.01 as permitted under Contract Standing Order 10.01.02 (d)(ii) and (iii) and award the Home Sweet Home Contract as permitted under CSO

10.01.1(b) to Metropolitan with a maximum value of £158,080 with an option to extend the contract for a period of 12 months. The term of the contract shall be from 1<sup>st</sup> August 2017 to 31<sup>st</sup> July 2018. The total value of the contract including the extension is £316,160.

### **3. Reasons for decision**

- 3.1 The current contract is due to expire on 31st July 2017 and there is no further facility to extend beyond this date. In order to ensure continuity of the service which is valued enormously by its users, it is important that a contract is in place following the expiration of the current contract.
- 3.2 It is in the Council's overall interest to agree a waiver and award a contract to Metropolitan for the delivery of the current *Home Sweet Home* service to ensure continuity whilst a strategic programme of transformation of Housing Related Support (HRS) commissioning and service pathways is implemented as agreed by Cabinet in the report on the Supported Housing Review published on the 14th of March 2017.
- 3.3 The Supported Housing Review sets out a vision, principles and recommendations that will ensure that housing support is able to meet the needs of vulnerable residents now and in the future. Modernising and improving the Council housing support offer, with a particular focus on preventing housing and health crisis and maximising independence will bring about improved outcomes for Haringey residents and ensure our services are cost-effective and in line with our refreshed housing and social care priorities.
- 3.4 There is a demonstrable need for this service provision which supports older people to continue to live independently in their own homes. It is not considered in service users best interest, and would not deliver efficiencies to tender the service whilst the strategic programme of transformation is taking place.
- 3.5 The service meets the Council's strategic objectives of delivering short term housing related support, early intervention, tenancy sustainment services; preventing escalation of need and demand on health and social care provisions.

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

- 4.1 Procurement through an open tender process was considered, however this would not enable the efficiencies and improvements that can be gained in strategic commissioning exercises with partners and may result

in an increase in the price of contracts without corresponding value for money benefits.

- 4.2 De-commissioning the services was considered, but despite the immediate financial pressures on the Council this option has been ruled out as it would worsen outcomes for Haringey residents.

## 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 delivering support to a wide range of client groups including: older people; people with mental health problems; learning and physical disabilities; young people; women fleeing domestic violence; people with substance misuse issues; those at risk of re-offending and those at risk of homelessness.
- 5.2 The Metropolitan HSH floating support contract is directed principally to Older People in the private sector, and has demonstrated that there is also demand for delivering support to Older People in general needs social housing accommodation.
- 5.3 The Metropolitan HSH service is contracted to provide 80 service users aged over 60 who are home owners and private tenants with an average of 4 hours of support per week for up to 6 months.
- 5.4 The service provides specialist advice on tenancy support, money management, and advice on housing options, preventing evictions, benefits and incomes maximisation, council tax, employment and training as well as supporting clients to reduce isolation, improve their health and wellbeing and attend hospital appointments and activities in the community thus reducing escalation of need and demand on health and social care provisions.
- 5.5 Performance has been evaluated as good throughout the contract period; performance returns are completed and submitted on time and targets are met.
- 5.6 The current contract for the Home Sweet Home service commenced on 1<sup>st</sup> August 2014 and was awarded by Cabinet Member for a period of 2 years plus a year's extension, following a pilot project.

5.7 The 2014 – 16 contract had an annual contract value of £166,400; overall value of £332,800. The extension of the contract by one year with 80 units has a total contract value of £266,240 which is comprised of: £166,400 for the original 50 units and £99,840 for an additional 30 units.

5.8 Following contract negotiations with Metropolitan, they have agreed to 5% efficiency savings on the contract totalling £8,320, to be implemented at the beginning of the contract period of 1st August 2017. The number of units will increase from 50 to 65 from 1 August 2017.

## 6. Contribution to strategic outcomes

6.1 This service supports Council Priority 5, Creating homes and communities where people choose to live and are able to thrive, and Priority 2, Prevent homelessness and support residents to lead fulfilling lives.

## 7. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

## 8. Finance

8.1. This report seeks the Director of Housing and Growth's approval:

- To waive the requirement to tender under CSO 9.01 and award a contract to Metropolitan for Older People Floating Support "*Home Sweet Home*".
- To award the contract for a period of 12 months commencing from 1<sup>st</sup> of August 2017 to 31<sup>st</sup> of July 2018 at an annual contract value of £158,080; with provision for an extension of 12 months; a total contract value of £316,160.

8.2 The report states that the waiver and award of contract to Metropolitan for the delivery of the current Home Sweet Home service will ensure continuity whilst a strategic programme of transformation of HRS commissioning and service pathways is implemented.

8.3. The current contract for the Home Sweet Home service commenced on 1st August 2014, with 50 units and was awarded by Cabinet Member for a period of 2 years plus a years extension, following a pilot project.

8.4. The 2014 contract had an annual contract value of £166,400. At the end of the contract in 2016, it was extended by one year and additional 30

units were included bringing the total contract value to £266,240 which is comprised of: £166,400 for the original 50 units and £99,840 for an additional 30 units.

- 8.5. This report seeks to vary the number of units to 65 at a 5% reduction of contract value of £158,080. Metropolitan have agreed to reimburse £73,216 as services to the additional 30 units contracted in 2016/17 were not provided.
- 8.6. It is not clear if the cost of contract represents the most competitive price and value for money as there are no other quotes for comparison.
- 8.7. Financial provision for the sum of £158,080 exists in the 2017/18 Housing related Support budget.

## 9. Procurement

- i. The Head of Procurement notes the contents of this report and is supportive of the recommendations hereto.
- ii. The value of the contract means it is not within the jurisdiction of the Public Contract Regulations 2015 'light touch' regime and need not be tendered. The request to waive this requirement may, therefore be permitted and is in line with the procurement Code of Practice.
- iii. The reversion back to the original level of units supported (50 units), has reduced the contract price to its original value. Hence in real terms there has been no increase in cost since contract inception 3 years ago Cost avoidance is therefore, a saving and represents best value for the service.
- iv. Contract management has been put in place to ensure contract compliance and quality outcomes for vulnerable service users

## 10. Legal

- 10.1 The Assistant Director of Corporate Governance notes the contents of the report.
- 10.2 The total value of the contract including the extension is £316,160 and being a social care contract, it falls under Schedule 3 of the Public Contracts regulations 2015 and as such it is below the threshold for the light touch regime. A Director may therefore, pursuant to CSO 10.01.1(b)

authorise the waiver of the provisions of CSO 9.01 thereby allowing a direct award of a contract.

10.3 The Assistant Director of Corporate Governance sees no legal reasons preventing the Director of Housing and Growth from approving the recommendations in the report.

## 11. Equality

11.1 The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to the need to:

- tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- 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.

11.2 This report is not a change in policy but a decision to extend current contracts. As these services are to provide support to vulnerable people, the alternative option – to not extend the service – would have a negative impact on protected groups.

11.3 Equalities principles were incorporated within the original procurement process and the bidders' equalities policies and procedures have been evaluated and deemed sufficiently thorough.

11.4 A detailed equalities impact assessment, based on service use data and covering the protected characteristics, was carried out for the development of the Housing Related Support Commissioning Plan.

11.5 Service users were consulted with prior to the original tendering process, and the results were analysed to identify whether any equalities issues were raised. No equalities issues were noted.

11.6 Equalities monitoring is 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.

12. Use of Appendices

13. None