

**Report for:** Cabinet on 10<sup>th</sup> September

**Title:** Award of contracts for the Provision of Housing Related Floating Support Services

**Report authorised by:** Charlotte Pomery – Assistant Director for Commissioning

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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 details the outcome of an open tender process and seeks approval to award the contracts to the successful tenderer for the Provision of Housing Related Floating Support Services to Haringey residents in accordance with Contract Standing Order (CSO) 9.07.1 (d), as the current contracts are due to expire in March 2020.
- 1.2. The recommended provider submitted a strong tender bid that clearly demonstrated their expertise and commitment to providing the services required and meeting the service outcomes as specified. They have a strong track record of delivering housing-related floating support services.
- 1.3. Subject to approval, the contracts shall be awarded for a period of three years commencing from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2023 with an option to extend for a further period/periods of up to a total of four (4) years.

## **2. Cabinet Member Introduction**

- 2.1. The Council is committed to ensuring that residents who are homeless or at risk of homelessness have access to high quality support to prevent or resolve immediate challenges and address underlying contributory factors. The services within these contracts will support families and single adults to develop their independent living skills, maintain or establish sustainable housing and overcome problems that can lead to homelessness.
- 2.2. These Floating Support contracts are therefore strategically important in delivering our commitments set out in the Borough Plan (2019-23). I welcome

the outcome of the procurement exercise, which has identified an organisation with the expertise and commitment required to meet the needs of Haringey residents and the outcomes of the service. Contract monitoring will help to ensure that a good quality support service is maintained throughout the life of the contracts and that excellent outcomes for residents are achieved.

### **3. Recommendations**

- 3.1. For Cabinet to approve the award of contracts (Lots 1 and 2) to the successful tenderer in accordance with CSO 9.07.1(d) each for an initial term of 3 years, commencing from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2023 with an option to extend for a further period/periods of up to a total of four (4) years. Details of the successful tenderer is outlined in Appendix 1 - Part B (exempt information) of the report.
- 3.2. The estimated value of Lot 1 for an initial term of 3 years will be £1,156,171 and the total value £2,730,235 over the period of 7 years.
- 3.3. The estimated value of Lot 2 for an initial term of 3 years will be £2,163,828 and the total value £5,109,764 over the period of 7 years.
- 3.4. The total value of the two contracts (Lots 1 and 2) for the initial term of 3 years will be £3,320,000 and the total value £7,840,000 over the period of 7 years.

### **4. Reasons for decision**

- 4.1. Haringey residents face significant challenges related to housing and homelessness:
  - Of private rented homes, 1 in 3 of these do not meet Decent Homes standards.
  - 9% of households in Haringey are overcrowded.
  - Haringey has around 3,000 households in Temporary Accommodation, the 4th highest figure in London.
- 4.2. There is 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. 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 new 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.

- 4.4. The services will play an integral role in the delivery of Haringey's Homelessness and Rough Sleeping Strategies, by:
- Helping to prevent and relieve homelessness
  - Reducing the use of temporary accommodation
- 4.5. These Floating Support services will contribute to delivery of the Council's Borough Plan (2019-2022) objectives, by supporting single adults and families to secure positive housing, health and community outcomes.
- 4.6. The decision to award contracts to the successful tenderer is based on the conclusion of a competitive procurement process. The proposed recommendation to award the contracts is made according to the outcome of the Most Economically Advantageous Tender, as detailed in section 6 of this report.
- 4.7. The recommended provider submitted a strong tender bid that clearly demonstrated their expertise and commitment to providing the services required and to meeting the service outcomes as specified. They have a strong track record of delivering housing-related floating support services.

## **5. Alternative options considered**

### **5.1. Do nothing**

The Council could elect not to re-commission 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. Extend existing contracts**

Extension periods available within the existing contracts have already been exhausted.

### **5.3. Deliver the services in house**

The Council could elect to deliver these Floating Support services itself and consideration was given to this option. However, the investment required to develop and manage the staff and services required, was found to be significantly greater than the resources available, and more than commissioning from an external organisation. The successful provider has an extensive track record in delivering these services, which will ensure a quality service for residents and good value for the Council.

## **6. Background information**

- 6.1. Floating Support services provide short-term, highly flexible housing related support which is not linked to accommodation. It is available to people living in

any form of accommodation and can be provided from a range of locations, including the person's own home.

- 6.2. Existing Floating Support services for single adults and for families commenced in June and August 2013 respectively. A third Floating Support service for older people commenced in August 2018. Extension periods for these contracts have been exhausted.
- 6.3. In autumn 2018, service users of the existing services were consulted about their views of the services they received. Service users indicated broad satisfaction with the service model but expressed a desire for the support to last for longer, reporting feelings of anxiety once the standard six months of support was coming to an end. This feedback was incorporated into the Service Specification for the new services, within which the length of support will be led by the service user and responsive to their needs. There is also a focus on building resilience amongst service users and encouraging peer support and user-led social initiatives, to extend the reach of the support the service can offer.
- 6.4. Quarterly monitoring of the Floating Support service for single adults indicated that they were supporting large numbers of residents aged over 50, even though there was a dedicated service for this group which was in lower demand. Further analysis indicated that there was no difference in the support available from each service. It was therefore decided that one Floating Support service for single adults and couples of all ages would be more simple, easier to access and offer improved value for money.
- 6.5. The overall aim of the services will be to provide high-quality short-term housing related support to single adults, couples without children and families, supporting them to develop or strengthen their independent living skills and ultimately, prevent homelessness.
- 6.6. The services will:
  - Assist clients to identify, access and sustain realistic housing options such as private sector housing.
  - Support and encourage service users into employment, training or volunteer work in order to support financial independence and positive wellbeing outcomes.
  - Support clients to manage their finances and maximise their income, including support with budgeting and with claiming and maintaining benefits.
  - Work with service users to manage a tenancy including dealing with repair and landlord issues, relationships with neighbours and managing utilities.
  - Support relationships between tenants and landlords, particularly for new tenancies, to ensure tenancies are sustained and any issues are quickly identified and resolved.

- Promote and enable service users to build positive peer and social relationships.
- Promote health, wellbeing and quality of life to maximise independence and reduce social isolation.
- Promote self-reliance and independence.
- Work collaboratively and proactively with Homes for Haringey and other organisations to seek solutions to issues that affect people requiring support and/or housing.

6.7. In order to meet the service aims, the services will:

- Base the length of the support offered on individual need.
- Provide the service from the provider's office base, client's own home or a mutually agreed place that is suitable and accessible for the client.
- Provide personalised one to one support planning that is focused around the needs of the client.
- Ensure service users can also access a support worker by phone or email.
- Work to extend the reach of the support offered by developing peer support projects and building the capacity of clients to support others in similar circumstances.

6.8. The services will be available to all single adults, couples without children and families assessed as in need of support, as a result of but not limited to the following circumstances:

- Being homeless or at risk of homelessness due to problems with their current home/landlord/living situation.
- Being insecurely or inappropriately housed – in need of accommodation that better meets their housing requirements.
- Having support needs linked to frailty, social isolation or mental or physical health, substance misuse, offending or disability.
- Requiring support to access employment, education or training.
- Requiring support to manage finances including benefits claims and appeals.

6.9. 95% of the contract value will be paid on a 4-weekly basis. 5% of the total contract value will be subject to a 'payment by results' model and will be payable on a quarterly basis. The 5% 'payment by results' element will be based on the number of clients identified on entry to the service as being either homeless or at imminent risk of homelessness. For the 5% portion to be paid, at least 50% of these clients should be prevented from becoming homeless or should be suitably housed (not including in Local Authority temporary accommodation) at the end of the period.

- 6.10. The service for families will provide a minimum of 2000 support hours per calendar month, to an expected 230 - 250 families at any one time.
- 6.11. The service for single adults and couples without children will provide a minimum of 4000 support hours per calendar month, to an expected 450 - 500 clients at any one time.
- 6.12. Contract monitoring will be carried out in accordance with key performance indicators set out in the Contract Conditions for these services. Performance monitoring will be integrated with service delivery to ensure it is manageable, useful and is a mechanism for continuous improvement to the service.

### **Procurement Process**

- 6.13. A Market Engagement event was held on 26th February 2019. This event was intended to communicate and share information with potential providers to help them understand the commissioning intentions and offer potential suppliers the opportunity to raise any questions and present their views.
- 6.14. The Market Engagement event indicated that this is a specialist service and the nature of the market for this type of service is limited. Therefore, an 'Open' tender process was selected as the most efficient route to market.
- 6.15. The tender was advertised by placing a contract notice via the Official Journal of the European Union (OJEU) and Contracts Finder on 24<sup>th</sup> May 2019.
- 6.16. The Invitation to Tender (ITT) and supporting documents were uploaded on to the Haringey Procurement and Contract System (HPCS) e-sourcing portal, where following a registration process, the potential tenderers can access the tender documents and submit their tenders electronically.
- 6.17. The service was tendered in the following two Lots:
- Lot 1 – Floating Support for Families at Risk of Homelessness
  - Lot 2 – Floating Support for Adults at Risk of Homelessness
- 6.18. Tenderers were permitted to bid for more than one lot. Tenderers who elected to bid for both lots were asked to submit separate and combined pricing models.
- 6.19. The tender process opened on the 24<sup>th</sup> May 2019 and closed on the 24<sup>th</sup> June 2019. By the closing date, Tender documents were accessed by 18 organisations, of which 6 organisations had submitted their tenders.
- 6.20. A total of 8 tenders were submitted across two lots; of which 3 tenders for Lot 1 and 5 for Lot 2. Out of 6, two organisations had submitted a tender for both lots and provided a Price for combined service.
- 6.21. All tenders were checked for compliance with minimum requirements including mandatory and discretionary exclusion criteria before quality and price

evaluations. Following compliance checks, one tender for Lot 2 is disqualified and was eliminated from the process with no further assessment, as the Tenderer failed to meet the minimum requirements as set out in the Contract Notice.

- 6.22. The remaining 7 tenders passed the compliance checks and their tenders evaluated using the Most Economical Advantageous Tender (MEAT) with a split of 70% (700 points) quality and 30% (300 points) price. The tender evaluation criteria and weighting were set out in the tender documents and clarified during the tendering process.
- 6.23. In order to ensure all bids considered met an acceptable quality standard the tenderers were required to score a minimum of 350 points (50% of the total scores allocated to quality which consisted of method statement and presentation) to pass the quality evaluation. All seven tenders met the minimum requirements and have passed the quality evaluation.
- 6.24. The Quality and Price scores are added together to determine a total score per Tenderer. The highest scoring Tenderer(s) for each Lot is awarded the contract.
- 6.25. The tables below detail the successful tenderers for the respective lots. Further information about the tender evaluation is contained in Appendix 1 - Part B (exempt information) of the report.

Table 1 – Details of tenders and successful tenderer for Lot 1 Floating Support for Families at Risk of Homelessness

Tenderer	Quality Scores (out of 700 points)	Price Scores (out of 300 points)	Total scores (out of 1000)	Rank
Successful Tenderer A	609	295	904	1
Tenderer B	527	299	826	2
Tenderer C	416	300	716	3

Table 2 – Details of tenders and successful tenderer for Lot 2 Floating Support for Adults at Risk of Homelessness

Tenderer	Quality Scores (out of 700 points)	Price Scores (out of 300 points)	Total scores (out of 1000)	Rank
Successful Tenderer A	625	300	925	1
Tenderer B	495	299	794	3
Tenderer D	525	297	822	2
Tenderer E	322	297	619	4
Tenderer F	Eliminated			5

- 6.26. Tenderer A and B submitted tenders for both lots and provided a price for the combined service. Prices submitted by Tenderer A and B for individual lots

and their combined price for both services is contained in Appendix 1 - Part B (exempt information) of the report.

- 6.27. Tenderer A is successful in both lots, therefore their Price submitted for combined service will be accepted to award the contracts.
- 6.28. The successful tenderer is London Living Wage (LLW) employer and is committed to pay LLW to staff engaged in delivering these contracts.

### **Transition and Contract Management**

- 6.29. In order for the new service to commence delivery to the public on 1st April 2020, the Commissioners have allocated six months for transition and mobilisation of the contracts.
- 6.30. Contract management will be incorporated into the contracts. Key Performance Indicators and methods of measurement are integrated within the service specification and will be monitored through contract monitoring meetings and reports.
- 6.31. Monitoring meetings will be held monthly for the first six months and quarterly thereafter. The purpose of monthly monitoring meetings will be to examine the implementation of the service, monitor delivery of the service at an operational level and to foster partnership working to facilitate early resolution.

## **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 services will significantly contribute to delivery of this outcome by providing support which enables individuals to manage their housing and manage finances, to support their housing. The services also provide 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 services will significantly contribute 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 are able to live healthy and fulfilling lives, with dignity, staying active and connected in their communities.*

The floating support services will contribute 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 7: *Strong communities where people look out for and care for one another.*  
The floating support services will contribute 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), Assistant Director of Corporate Governance, Equalities)**

**Finance**

- 8.1. This contract will be funded from the General Fund budgets in the housing related support services.
- 8.2. The contract value is in line with current annual spend and approved budget of £1.175m and will not present any additional financial pressures in the current year and future years (subject to budget approval).
- 8.3. The contract is for a period of three years commencing from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2023 at a cost of £1.1m per annum (£3,320,000 for the 3-year term) with an option to extend for up to four (4) years at £1.14m per annum. The total contract value over the 7-year term is £7,840,000.

**Procurement**

- 8.4. The services in the proposed award falls within the ambit of Schedule 3 of the Public Procurement Regulations 2015. The value of the contract is above the prescribed threshold and was, as required, advertised in the Official Journal of the European Union.
- 8.5. Given the size of the market – a robust open tender process was employed to identify and evaluate bid/ders which complied with Council Contract Standing Orders and the Procurement Code of Practice
- 8.6. The tender returned a best value outcome of some 5% saving to the Council
- 8.7. Regular contract management by commissioning, alongside monitored key performance indicators will mitigate against any service delivery or performance risks

**Legal**

- 8.8. The Assistant Director of Corporate Governance notes the content of the report.
- 8.9. Strategic Procurement has confirmed that the open tender procedure was followed during the tender process and as such the procurement was in line with the provisions of the Council's CSO 9.01.1 and CSO 9.01.2(a) and it is therefore compliant with the provisions of the Public Contract Regulations 2015.
- 8.10. Pursuant to CSO 9.07.1(d), Cabinet may approve the award of a contract if the value of the contract is £500,000 or more and as such Cabinet has power to approve the award of the contract in this Report.
- 8.11. The Assistant Director of Corporate Governance sees no legal reasons preventing the approval of the recommendations in the report

### **Equality**

- 8.12. 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.
- 8.13. 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.
- 8.14. Homelessness in Haringey intersects with inequality, with certain groups at higher risk of experiencing homelessness:
- Of households accepted as statutorily homeless, 40% of these are headed by Black women. A similar proportion is reflected in the population of households living in Temporary Accommodation. (Local authorities' action under the homelessness provisions of the Housing Acts, Table 1: Numbers accepted as being homeless and in priority need 2008-09 to 2017-18, MHCLG, accessed February 2019; Demographics of Temporary Accommodation Residents, locally held data, Haringey Council 2019)
  - 24% of homeless young people in Haringey identify as being LGBT+. (Sexuality of Youth Homeless, locally held data, Haringey Council 2017)

- 8.15. 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 demographics of homelessness in Haringey: an average of 45% of clients supported by existing services are Black and 24% from 'White other' ethnic backgrounds.
- 8.16. This decision to award the 3-year contracts will help ensure that the Council continues to address known inequalities, as outlined above. 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. As local homelessness data indicates that those with one or more protected characteristic are likely to be overrepresented among service users relative to the population of Haringey, it follows that provision of floating support services represents a measure to eliminate discrimination and advance equality of opportunity in terms of housing as well as wider social outcomes.
- 8.17. The new services will be monitored to ensure that they meet the needs of different groups of residents requiring support and reflect the demographics of homelessness in Haringey. This will include monitoring of outcomes for clients according to ethnic background. The services will also be responsive to clients' needs – for example, providing access to translation services where required.
- 8.18. This decision is being made within a strategic framework set out by the Haringey Homelessness Strategy, which was subject to an Equalities Impact Assessment that can be accessed here:  
<http://www.minutes.haringey.gov.uk/mgConvert2PDF.aspx?ID=100142&ISAT T=1#search=%22homelessness%20strategy%22>

## **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 and is not for publication. The exempt information is under the following category: (identified in the amended schedule 12 A of the Local Government Act 1972 (3)) information in relation to financial or the business affairs of any particular person (including the authority holding that information).