

Report to Executive Director of Adults and Health

February 2021

Housing Related Support Service – Award of Contracts (Lot 1: Adur and Worthing)

Report by Head of All Age Commissioning and Head of Strategic Housing

Electoral division(s): All

Summary

This report seeks authority to award a contract to a Supplier following a procurement process. [Report ref OKD58 \(20/21\)](#) approved the award of Contracts to the following Suppliers;

- Lot 2: Arun: Sanctuary Housing Association
- Lot 3: Chichester: Stonepillow
- Lot 4: Crawley: Southdown Housing Association
- Lot 5: Horsham: Southdown Housing Association
- Lot 6: Mid-Sussex: Peabody South East

The contract award for Lot 1: Adur & Worthing was delayed allowing Adur & Worthing Councils time to complete necessary internal governance processes. These processes are now complete and so this report is regarding the award of contract for Lot 1.

Recommendation

It is recommended that the Executive Director for Adults and Health approves the award of a contract to the following Supplier. The service will commence from 1st April 2021 with a two-year initial period to 31st March 2023, with the option to extend for a further 2 years.

- Lot 1: Adur and Worthing: Southdown Housing Association

Proposal

1 Background and context

1.1 In December 2018 the decision was made to reduce the County Council's expenditure on Housing Related Support (HRS) to £2.34 million by 2020/21 (Report ref [AH11 18/19](#)). The reduction was to be implemented over the financial year 2019/20, allowing time to remodel services and explore impact mitigation with Suppliers, District & Borough Councils and other partner

organisations. This work was supported by a task and finish group of partners from the districts and borough councils, chaired by the Chief Executive of Crawley Borough Council.

- 1.2 To aid the process, the council rated the services using a RAG rating indicating the strategic fit with the County Council's statutory duties and to focus on interventions which assist in the prevention of other service demand:
 - Services rated red did not meet this strategic fit and these services have now ended.
 - Services rated green met the strategic fit for prevention or a statutory duty, were a high priority for continued funding and have been re-procured and new contracts in place since 1st October 2019, with a total annual contract value of £1.99m.
 - Services rated amber were those services that were not statutory requirements but supported the Council's prevention agenda. £0.35m per annum was allocated to fund these services, to be match funded by our District and Borough partners.
- 1.3 This report relates to the procurement of the amber rated services in Adur and Worthing only. All other amber rated services were awarded contracts in a separate Officer Key Decision in early February ([OKD58 20/21](#)). The award of Lot 1 (Adur and Worthing) was delayed allowing Adur and Worthing Councils time to complete necessary internal governance processes.
- 1.4 The decision to commence a procurement process for the "Amber Rated" HRS Services was taken in August 2020 ([OKD26 20/21](#)). Following this decision, a tender utilising the Open Procedure was advertised 1st October 2020 via the Council's SE Shared Services Tendering Portal, Contracts Finder and The Official Journal of the European Union (OJEU Ref: 2020/S 197-478609).
- 1.5 Capita Procurement Services undertook compliance checks on the tender submissions on 14th November 2020 to ensure all schedules that were required were duly submitted and that tenders were correct.
- 1.6 The tender evaluation was completed on technical criteria only. The commercial element was tested at the qualification stage where Bidders were required to agree to the set budget specified by WSCC. The technical element of the tender featured responses to method statement questions to determine the ability of the bidder to deliver the required services.
- 1.7 The tenders were evaluated by the evaluation panel between 14th November and 11th December 2020 with moderation meetings held on 14th December to discuss and agree final scores. The evaluation panel comprised of WSCC commissioners and representatives from the participating District and Borough Councils.
- 1.8 The successful bidders were required to submit their financial information and commercial finance carried out checks to ensure the financial stability of the suppliers.
- 1.9 The appointed Procurement Manager has ensured that the procurement process was compliant.

2. Proposal details

It is recommended that the Executive Director for Adults and Health approves the award of Contracts to the following Suppliers. The Service will commence from 1st April 2021 for an initial two-year period to 31st March 2023, with the option to extend for a further 2 years.

- Lot 1: Adur and Worthing: Southdown Housing Association

3. Other options considered (and reasons for not proposing)

3.1 Alternative options were considered as part of Decision [Report ref OKD26 \(20/21\)](#).

4. Consultation, engagement and advice

4.1 Consultation has taken place internally with procurement, legal and finance, this had looked at the options available for both existing and new services.

4.2 The Council has worked in partnership to profile the funding available for services and develop a set of design principles with partners. This has been steered through a task and finish group led by the Chief Executive of Crawley Borough Council and consisting of nominated officers across the partnerships.

4.3 A series of stakeholder workshops were held throughout April and May 2019 with partners, stakeholders, suppliers and service users. This work informed a senior executive workshop held on 30th May 2019 to decide on future commissioning intentions. The council will continue to work with partners to develop and procure the new services, making sure that any additional funding opportunities are maximised.

5. Finance

5.1 The total annual expenditure on the HRS "Amber" Contract in Adur and Worthing is £0.2m. The maximum contract value, including any extensions is £0.8m

5.2 The overall impact on the budget is as follows:

	Year 1 2021/22 £m	Year 2 2022/23 £m	Year 3 2023/24 £m	Year 4 2024/25 £m
WSCC Funding	0.1	0.1	0.1	0.1
D&B Funding	0.1	0.1	0.1	0.1
Total Spend on 'Amber' Services	0.2	0.2	0.2	0.2
Remaining Balance	0	0	0	0

5.4 The effect of the proposal:

(a) **How the cost represents good value**

Preventative HRS Services are a more cost-effective solution than the alternative of higher cost support provision aimed at people who find themselves in a crisis. By maintaining a strong HRS Service presence across the County, it is hoped the need for higher tier support and intervention will be reduced along with the instances of rough sleeping across the County.

(b) **Future savings/efficiencies being delivered**

The proposed contract, along with the other 'amber' contracts detailed in Officer Key Decision Report Ref (OKD58 20/21) secure full delivery of the £4m saving agreed in the Housing Related Support budget through Cabinet Member Decision Report AH11 18/19.

6. Risk implications and mitigations

Risk	Mitigating Action (in place or planned)
Risk of Challenge	A fully Compliant process that meets standing orders and procurement regulations.
Risk of care Supplier failure	<p>As part of the tender process, financial standing checks have been undertaken by WSCC Commercial Finance. All Suppliers passed the relevant checks and the awarded contracts are within the value limits recommended by WSCC Commercial Finance</p> <p>TUPE will apply and the Council has adequate contractual provisions in place in the existing contract to facilitate the transfer of relevant information between the outgoing and incoming Supplier. The TUPE transfer will be provider to provider and does not involve any WSCC staff.</p> <p>If the supplier failed, we would work in partnership with the co-funders to find a solution for the service users affected.</p>
Risk of withdrawal of Co-funding from District and Borough Councils	This is mitigated by having collaboration / funding agreements in place with the District and Borough Councils to govern the provision of co-funding. There are also early termination clauses in the contract.

7. Policy alignment and compliance

7.1 HRS Services contribute to the following West Sussex Plan Objectives:

- Independence for later life
- A strong, safe and sustainable place
- Best start in life

- Stronger Communities

7.2 This proposal ensures that the HRS Services in question are stabilised, whilst making the necessary savings to the budget.

7.3 **Equality and Human Rights Assessment**

A detailed impact assessment was undertaken as part of the budget consultation. The work planned to develop future service priorities and how they can best be met will continue the approach which takes fully into account the council's duty to have regard to its public sector equality duties.

7.4 **Social Value and Sustainability Assessment**

This proposal takes into account the social value that the commissioned services deliver for the people of West Sussex. The particular elements of the council's Social Value Policy to be included in the implementation of the proposals, were detailed as part of the impact assessment completed during the consultation period.

7.5 **Crime and Disorder Reduction Assessment**

Several commissioned services contribute to the council's role in reducing crime and anti-social behaviour. Stakeholders from the criminal justice sector have been encouraged to participate in this process so that this is properly recognised. The relevant statutory duties are included in the summary of responsibilities provided in [OKD26 20/21](#) appendix three.

Catherine Galvin

Head of Commissioning

Mark Dow

Head of Strategic Housing

Contact Officer: Sarah L Leppard, Senior Contracts Officer, Supported Housing Commissioning, 0330 22 23774

Appendices:

None

Background papers

None