

## Commissioning and Procurement Sub-Committee – 15<sup>th</sup> June 2021

<b>Subject:</b>	Approval to procure supported accommodation for teenage parents and pregnant teenagers		
<b>Corporate Director(s)/ Director(s):</b>	Wayne Bexton and Katy Ball		
<b>Portfolio Holder(s):</b>	Cllr. Linda Woodings, Portfolio Holder for Planning, Housing and Heritage		
<b>Report author and contact details:</b>	Bethan Hopcraft <a href="mailto:Bethan.hopcraft@nottinghamcity.gov.uk">Bethan.hopcraft@nottinghamcity.gov.uk</a> / 0115 876 5073		
<b>Other colleagues who have provided input:</b>	N/A		
<b>Key Decision</b>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<b>Subject to call-in</b>
			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Reasons:</b>	<input checked="" type="checkbox"/> Expenditure	<input type="checkbox"/> Income	<input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision
			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Total value of the decision: £1,619,807</b> (£231,401 per year) / £1,157,005 without possible extensions			
<b>Wards affected:</b> All	<b>Date of consultation with Portfolio Holder(s):</b> 27 <sup>th</sup> May 2021		
<b>Relevant Council Plan Key Theme:</b>			
Nottingham People			<input type="checkbox"/>
Living in Nottingham			<input checked="" type="checkbox"/>
Growing Nottingham			<input type="checkbox"/>
Respect for Nottingham			<input type="checkbox"/>
Serving Nottingham Better			<input type="checkbox"/>
<b>Summary of issues (including benefits to citizens/service users):</b>			
<p>The current contract for the provision of supported accommodation for teenage parents is due to expire on 31<sup>st</sup> October 2021. It is the intention that the service is recommissioned to continue the provision of a valuable service that provides support for pregnant teenagers and teenage parents who are unable to secure safe, suitable, permanent accommodation.</p> <p>The current service provides a model consisting of a total of 16 units, which are offered to those not able to secure and/or maintain safe, appropriate accommodation. This service supports the Council to meet its statutory duty to provide accommodation for homeless families and supports young parents to continue to look after their children. The current model has 12 self-contained supported accommodation units, and 4 units for families with lower support needs – this model, due to its success, will remain constant should a procurement process be approved. The service works with the residents to encourage them to find permanent accommodation and make referrals to additional support services.</p> <p>A review of this provision was completed in 2015 which informed the redesigning of the service for the procurement of the current contract. Due to the close monitoring and success of this service model, it was not deemed necessary to complete a full review for this procurement exercise. Whilst the number of teenage pregnancies has reduced over time, the rate exceeds the national average. The further commissioning of this service is considered necessary in light of the continuing need for supported accommodation for teenage parents.</p> <p>Whilst the current service has had many successes, such as 100% of short-term (up to 12 weeks) residents reporting positive outcomes (such as registering with a GP and dentist, and accessing employment, education and training), some improvement is required to ensure that the</p>			

move on function of the service is enhanced to empower residents to find more permanent accommodation. In order to improve this, the provider under the new contract will be required to meet stricter targets in line with moving residents on; in addition, this will be a heavily weighted element within the tender process.

**Exempt information:** None

**Recommendation(s):**

- 1** To approve the expenditure associated with procuring a new supported homeless teenage parent accommodation service for five years, with the option of extending for two further one-year periods (5+1+1). The maximum contract value (based on seven years) is £1,619,807, with an annual value of £231,401.
- 2** To delegate authority to the Director of Commissioning and Procurement to approve the outcomes of the teenage parent accommodation tender and award the contract to secure best value for Nottingham's citizens.

## **1 Reasons for recommendations**

- 1.1 The current provider's contract for this service is due to expire on 31<sup>st</sup> October 2021. Without securing a new contract, there will be no specialist provision for some of Nottingham's most vulnerable parents and their children.
- 1.2 The provision was subject to a large review in 2015/2016 which led to a change in the service model. The success of this model means that there will be no major change to the service model in the proposed procurement process as it is believed that it delivers good practice and provides good value for money.
- 1.3 Nottingham City, through numerous interventions, has managed to reduce the number of pregnant teenagers and in turn, teenage parents, and has managed to improve outcomes for teenage parents. Some of these interventions include the Family Nurse Partnership, continuation of access to contraception through a range of generic services (GP, pharmacy, schools and colleges), and through an investment into statutory sexual health provision. Despite this, the number of teenagers becoming pregnant and giving birth during their adolescence is much higher than the national average. Due to the complexities that are associated with teenage parenthood, there is an ongoing need for specialist housing for teenage parents to prevent homelessness.
- 1.4 As there is a requirement for the service to be within Nottingham City, and the housing needs of the service users are very specific, seeking suitable premises is potentially challenging for a new provider. For this reason, a longer contract length is proposed to reduce the potential challenges for new providers in securing premises for short periods of time.
- 1.5 The service has, within its current contract, avoided any voids in the units meaning that the need is at least meeting the provision available.

## **2 Background (including outcomes of consultation)**

- 2.1 The current Supported Accommodation Service for Teenage Parents was commissioned in 2016 following a review completed by the Teenage Parents

Specialist. This review identified the need for a supported accommodation service to respond to the Council's statutory duties to alleviate homelessness and to help teenage parents to continue to care for their children.

- 2.2 As the service model remains largely unchanged, it was considered by the Teenage Pregnancy Specialist in the authority that no further consultation was required. The Teenage Pregnancy Specialist has been working closely with the current provider and contract managers to ensure full compliance with the current service specification, and monitoring the suitability in line with changes in need. This work has highlighted that there is no need to make major changes to the service specification should a tender be approved.
- 2.3 Consultation with the Service Manager for Housing Aid and Nottingham City Council's Housing Strategy Manager has resulted in their backing of this proposal.

### **3 Other options considered in making recommendations**

- 3.1 Do nothing and let the service provision decrease. This is not a viable option because there is a clear need for this service in the city to continue to provide an appropriate means of meeting Council's statutory homelessness duties and to help teenage parents to continue to care for their children.

### **4 Finance colleague comments (including implications and value for money/VAT)**

- 4.1 This reports seeks approval to go out to tender and award a new contract for supported homeless teenage parent accommodation. The contract duration will be for five years, with the option of extending for two further one-year periods (5+1+1). The maximum contract value (based on seven years) is £1.620m, with an annual value of £0.231m.
- 4.2 Annual budget for this contract is contained in the MTFP, within Growth and City Development, and is sufficient to meet the expected contract value. Should the tender return higher than anticipated values then a financial pressure could materialise with further funding needing to be identified. Mitigation, should this occur, needs to be sought in the first instance rather than declaring an overspend in forecasting.
- 4.3 The contract should be closely monitored against budget to ensure no financial pressure occurs. Accurate spend of the contract should be contained within the monthly forecast with any issues raised early through the appropriate channels.
- 4.4 The award of any contract should be viewed and approved within the context of the current financial position of Nottingham City Council and be deemed critical and essential.
- 4.5 A full compliant tender process will ensure value for money is delivered.

Phil Gretton – Strategic Finance Business Partner – 1<sup>st</sup> June 2021

### **5 Legal and Procurement colleague comments (including risk management issues, and including legal, Crime and Disorder Act and procurement implications)**

- 5.1 There are no significant legal issues arising from this decision to run a compliant procurement process to contract for these services. Given the requirement for the provision of accommodation as part of the service delivery the timescales may prove to be challenging for bidders to be ready to enter into a contract for 1 November 2021 and consideration should be given as to how this may be addressed. An appropriate contract will be prepared based on the requirements set out in the tendered specification.

Advice provided by Naomi Vass – Senior Solicitor 1 June 2021

- 5.2 The decision to procure a Teenage Parent Supported Accommodation service proposed in this report is supported by the Procurement Team. The procurement process will be undertaken by the Procurement Team in compliance with Nottingham City Council's Financial Regulations and UK Public Contract Regulations (Light Touch Regime). The tender will secure best value in terms of cost, service quality and outcomes for citizens. In light of the premises requirement for supported accommodation and potential TUPE implications, there are some risks arising from the timescales for the new contract to be implemented and transition to new arrangements by November 2021.  
Julie Herrod - Lead Procurement Officer 25<sup>th</sup> May 2021

## **6 Social value considerations**

- 6.1 Social Value is inherent in the subject matter of this procurement, as it has a direct impact on supported homeless accommodation for citizens. However the possibility for creating additional social value (for example, empowering citizens to live independently sooner) will be considered as part of the procurement process.

## **7 Regard to the NHS Constitution**

- 7.1 N/A

## **8 Equality Impact Assessment (EIA)**

- 8.1 Has the equality impact of the proposals in this report been assessed?

No

An EIA is not required because:

The service specification will not see any major changes, and there have been no notable changes to equality legislation, nor to the population of Nottingham City

Yes

## **9 List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)**

- 9.1 None

## **10 Published documents referred to in this report**

- 10.1 None