

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

2569

Author:

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Department:

Chief Executives Group

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Subject:

Extension to Housing Related Support Contracts

Key Decision (decision valued at more than £1million):

Yes

Total Value:

£4.009m (Type: Revenue)

Decision Being Taken:

1. To approve funding for the extension of contracts as detailed in appendix 1.
2. To approve dispensation from Contract Procedure Rules 5.1.1. and 5.1.2 in accordance with Financial Regulation 3.29 (Operational Issues) for the Offenders Accommodation for Adults service and Rough Sleepers Enablement Service for the extension of these contracts.
3. To note the proposed scope of the Social Inclusion Strategic Commissioning Review as set out below and in appendix 2.

Reasons for the Decision(s)

This paper seeks approval to fund the extension of contracts for 8 Housing Related Support services in order to align the delivery of these services with the Council's commissioning activity for 2016/17 (approved by the Council's Commissioning and Procurement Sub-Committee on 11th May 2016). These contracts are for services that work to help vulnerable adults or families to live independently or to recover more independent living arrangements, and to help them to avoid the need for other more intensive forms of support. More information on these services, including their broad remit, annual contract value, and the period of extension to be granted through the approval of this decision can be found in appendix 1.

These services have been categorised as A to C (see appendix 1) according to the rationale associated with the extension of their contracts.

Group A

These contracts are for the provision of Independent Living Support (ILS) services that support vulnerable citizens to maintain independent accommodation and to avoid the need for other forms of more intensive support. ILS services can be delivered from different locations, including within the home of a user. They are not tied to accommodation offered by the provider of the service. The services in group A have been assessed through a procurement options appraisal process as being fit for purpose and offering value for money for Nottingham's citizens. It is proposed to extend these contracts for up to three successive years through one year extensions, subject to the ongoing availability of funds and the satisfactory performance and ongoing suitability of each service.

Group B

These services fall within the proposed scope of a planned review of services that assist citizens who are homeless or at risk of homelessness that was approved by the Council's Commissioning and Procurement Sub-Committee on 11th May 2016. This review is referred to as the Social Inclusion Strategic Commissioning Review. This review will make recommendations for the further commissioning of services beyond March 2017, taking into account the Council's commitments to continue to work to protect Nottingham's vulnerable citizens, and the need to deliver £0.59m savings per annum approved by the Council through the 2015/16 and 2016/17 budget processes. It is proposed to extend the contracts for these services until 31 March 2017 to allow for the conclusion of this review and any subsequent procurement process needed to implement the commissioning decisions that follow. A full list of services within the proposed scope of this review can be found in appendix 2.

Group C

This service falls within the scope of a planned review of support designed to assist citizens with mental health difficulties to maintain or re-establish independent living and to avoid the need for more intensive support. This review will be part of a wider review of integrated pathways of support for citizens with mental health difficulties, which was approved at the Council's Commissioning and Procurement Sub-Committee on 11th May 2016. This review will be delivered in partnership with Nottingham City Clinical Commissioning Group. It is proposed to extend this contract until 30th September 2017 to allow for the conclusion of this review and any subsequent procurement process needed to implement the commissioning decisions that follow.

Briefing notes documents:

Appendix 1 - Proposed Extensions to Contracts.docx, Appendix 2 - Scope of Social Inclusion SCR (Proposed).docx

Other Options Considered:

1. To not continue funding for the Independent Living Support services in group A.

These services have been found to be performing well, and are considered to provide good value for money for Nottingham's citizens and good outcomes for people who use them. The option to not continue to fund these services is rejected on the basis that these services play an important role in supporting vulnerable citizens to achieve or maintain independent living, and also reduce the likely need for more intensive support.

2. To not continue funding to extend contracts in groups B and C to allow for the completion of the planned reviews of mental health and homelessness services (as outlined in the previous section).

This option is rejected on the basis that it will result in the temporary loss of key provision for vulnerable adults in Nottingham (pending the commissioning of new services following the completion of these reviews). The consequences of this include:

- loss of support for individuals with complex needs who are homeless or at risk of homelessness, including rough sleepers, and for those with significant mental health difficulty;
- an increase in homelessness and rough sleeping, including among those people who have difficulty maintaining their independence owing to a mental health problem;
- a likely significant increase in demand for other health and social care services provided by (or funded by) Nottingham City Council and its partners (e.g. Nottingham City Clinical Commissioning Group);
- a likely increase in crime and anti-social behaviour;
- the likely failure to meet the Local Authority's duty to provide accommodation to vulnerable adults in priority need in accordance with current homelessness legislation.

3. To not obtain dispensation from the Council's Financial Regulations in order to extend contracts for the Offenders Accommodation for Adults Service and the Rough Sleepers Enablement Service, and to procure replacement services through a competitive tender process.

This option is rejected on the grounds that the ongoing commitment of resources toward the activities provided by these services should be considered as part of the wider consideration of the support commissioned by the Council to assist homeless citizens (through the planned Social Inclusion Strategic Commissioning Review).

Background Papers:

Published Works:

Report to Nottingham City Council Commissioning and Procurement Sub-Committee, 11th May 2016, "NCC and CCG Joint Commissioning Priorities 2016/17". Available at:
<http://committee.nottinghamcity.gov.uk/ieListDocuments.aspx?CId=608&MId=5718&Ver=4> (Item 79).

Department of Communities and Local Government, (2006). Homelessness Code of Guidance for Local Authorities. Available at:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7841/152056.pdf

Affected Wards:

Citywide

Colleague / Councillor

Interests:

Dispensation from Financial Regulations:

Yes

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

The services within scope of this decision help to prevent crime and disorder through the provision of accommodation and support designed to assist vulnerable citizens to maintain or re-establish independent living. All services provide support to citizens who are at a greater risk of becoming a victim of and/or perpetrating crime. The temporary or permanent cessation of these services is likely to lead to a rise in homelessness and rough sleeping, and in the number of vulnerable citizens without access to support, and is therefore considered to pose a substantial risk of an increase in crime within the City.

Equality:

EIA not required. Reasons: This proposal is to maintain services as they are. Some have been reviewed and considered fit for purpose, others will be subject to a review process.

Social Value Considerations:

The services within the scope of this decision play an important role in helping vulnerable adults to recover and maintain independent living arrangements, and to avoid homelessness and the need for other more intensive forms of support. The opportunities for creating additional social value will be considered through the commissioning activity planned and through any procurement processes that follow.

Decision Type:

Leader's Key Decision

Subject to Call In:

Yes

Call In Expiry date:

26/08/2016

Advice Sought:

Legal, Finance, Procurement

Legal Advice:

This report does not raise any significant legal issues. It is understood from the Procurement comments and discussions with the report author that save for the two contracts mentioned in Recommendation 2 the contracts in Appendix 1 are being extended in accordance with existing options. The two contracts which require dispensations are below the applicable light touch procurement financial threshold and can be extended without a tender. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 18/07/2016.

Finance Advice:

This decision extends the contracts of 8 Housing Related Support Services, as detailed in Appendix 1, in order to align the delivery of these services with the Council's Commissioning activity for 2016/17.

The annual value of these contracts is £2.492m, with the total value of the proposed extensions being £4.009m until 31st March 2019. There is provision within the 2016/17 budget to fund the cost of these contracts up to 31st March 2017. Those contracts where the proposed extension goes beyond 31st March 2017 may need to be reviewed as part of the annual MTFP process, as savings still need to be identified from 2017/18 onwards.

Dispensation from contract procedure rules (5.1.1 and 5.1.2) in accordance with Financial Regulation (3.2.9) is requested and is appropriate in these circumstances

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4st July 2016
 Advice provided by Stephen Lynk (Finance Analyst) on 05/07/2016.

Procurement Advice:

The decision to approve dispensation from Contract Procedure Rules 5.1.1.(Offenders Accommodation for Adults service) and 5.1.2 (Rough Sleepers Enablement Service) in accordance with Financial Regulation 3.29 (Operational Issues) to extend these contracts, is agreed as appropriate by Procurement on the basis that these services will be aligned with other services to be included within the planned review of services that assist citizens who are homeless or at risk of homelessness. The outcome of the review will inform further Commissioning and Procurement Decisions.

The decision to extend funding for all other contracts listed in Appendix 1 has no Procurement implications - all extensions are within the lifetime of the existing contracts. Advice provided by Nicola Harrison (Procurement Lead Officer) on 11/07/2016. Advice provided by Nicola Harrison (Procurement Lead Officer) on 11/07/2016.

Signatures:

Jon Collins (Leader of the Council)
SIGNED and Dated: 02/08/2016
Alison Michalska (Corporate Director for Children and Adults)
SIGNED and Dated: 18/08/2016
Theresa Channell (Head of Corporate and Strategic Finance) - Dispensation from Financial Regulations
SIGNED and Dated: 16/08/2016
Chief Finance Officer's Comments: