

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	3017
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<b>Department:</b>	Strategy and Resources
<b>Contact:</b>	Alan Lowen (Job Title: Lead Commissioning Manager, Email: alan.lowen@nottinghamcity.gov.uk, Phone: 01158763571)
<b>Subject:</b>	Social Inclusion Homelessness
<b>Key Decision (decision valued at more than £1million):</b>	Yes
<b>Key Decision (decision affects 2 or more wards):</b>	Yes
<b>Total Value:</b>	£35,512,590 (Type: Revenue)
<b>Decision Being Taken:</b>	<ol style="list-style-type: none"><li>1. To approve the procurement of services and associated expenditure on the service up to a total value of £35,512,590 over a period of up to nine years as detailed in Appendix 1.</li><li>2. To delegate authority to the Director of Commissioning and Procurement to award contracts for the delivery of services in line with the outcome of tenders.</li><li>3. To delegate authority to the Head of Contracting and Procurement to sign contracts resulting from the tender processes once the outcome has been agreed.</li></ol>

**Reasons for the Decision(s)**

Homelessness in Nottingham has increased significantly in recent years. At the same time, budget challenges faced by the Council have meant that resources available to assist people facing homelessness have reduced.

New arrangements are needed to:

- provide a more effective response to people who have become homeless and those at risk of homelessness in the City
- aim to ensure the Council's funding of assistance to prevent or resolve homelessness is financially sustainable, including to reduce the unbudgeted reliance of temporary bed and breakfast accommodation used to respond to statutory homelessness duties
- ensure the Council's homelessness response is adapted to comply with the new duties for local authorities under the Homelessness Reduction Act 2017 due to come into effect on 1 April 2018.

A wider Council response to these requirements has been developed through the Social Inclusion (Homelessness) Strategic Commissioning Review. These new arrangements represent a significant transformation of the Council's current homelessness response and include developments to be carried forward by Housing Strategy, Housing Aid and other areas of the Council. The recommendations put forward by this report are to change the operation of homelessness services commissioned by the Council as part of this overall approach.

Contracts for a number of services commissioned by the Council to provide assistance to citizens to help them to avoid or recover from homelessness are due to expire on 31 March 2018. Approval is sought to procure new services to ensure there is no gap in delivery from 1 April 2018.

**Other Options Considered:**

To tender new services in accordance with the existing model of support for homeless households. This option is not recommended on the basis that re-commissioning the same model of provision will not meet key pressures faced by the Council nor provide the provision required to meet the needs of the City. This includes the requirement for an effective response to the increased need for assistance for people who are homeless or at risk of homeless and to reduce the increased expenditure on bed and breakfast provision used to respond to the Council's homelessness duties.

To allow the current contracts to expire and not arrange for the delivery of alternative services. This option is not recommended on the basis that it would result in a gap in the provision of emergency support for vulnerable citizens with the associated risks that the council will be unable to meet its statutory commitment towards homelessness citizens or otherwise assist homeless people in the City, and of the transference of demand (and resulting costs) to other areas of support.

**Background Papers:**

None

**Published Works:**

None

**Affected Wards:**

Citywide

**Colleague / Councillor Interests:**

None

**Any Information Exempt from publication:**

Yes

**Exempt Information:**

**Description of what is exempt:**

**Information exempt from publication:**

**Proposed maximum contract values for services included in Appendix 1.  
Proposed model for the delivery of homelessness services in Appendix 2.**

**An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972**

**3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).**

**The public interest in maintaining the exemption outweighs the public interest in disclosing the information because disclosing the proposed maximum values of contracts and proposed model for delivery could undermine the outcome of tenders to select providers to deliver services.**

**Documents exempt from publication:**

**EXEMPT Appendix 2 - Proposed Model for Homelessness Services.doc, EXEMPT Appendix 1 - Proposed Services.docx**

**Consultations:**

**Date: 29/03/2016**

**Other: Stakeholders with an interest in the provision of assistance to prevent and respond to homelessness in Nottingham (including support providers, citizens, providers and commissioners of related services, and other parties).**

**A programme of consultation and engagement has been completed in order to assist with the preparation of commissioning recommendations and other activity to tackle homelessness in Nottingham. A number of events and consultations have taken place between 23 March 2017 and 14 September 2017 to take on board the perspectives of citizens and other stakeholders.**

**Those not consulted are not directly affected by the decision.**

**Crime and Disorder Implications:**

The services within the scope of this decision are designed to assist people to avoid becoming homeless and to resolve homelessness where it has occurred. These services aim to help resolve any issues that increase the risk of homelessness or create a barrier to re-establishing settled and independent living arrangements, including difficulties associated with crime and disorder (e.g. substance and alcohol misuse, multiple and complex needs, etc). These services also aim to prevent and resolve rough sleeping. This decision includes changes designed to make more efficient use of available resources to prevent homelessness and to maximise access to temporary accommodation with the intention of also realising a positive impact on crime and disorder.

**Equality:**

Please login to the system to view the EIA document: Homelessness EIA.doc

**Social Value Considerations:**

The delivery of services within the scope of this decision will supports the economic, social and environmental wellbeing of the area by helping to prevent and alleviate homelessness in the City. Opportunities to maximise social value will be encouraged through the design and procurement of these services.

**Decision Type:**

Leader's Key Decision

**Subject to Call In:**

No  
The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The Chair of the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the decision proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.

**Person Consulted: Councillor Brian Parbutt**

**Consultation Date: 28/11/2017**

The decision includes proposals to tender to select providers to deliver new temporary supported accommodation services for homeless households to replace existing contracts from 1 April 2018. Our colleagues in the Procurement Team have advised that the tender must be ready to advertise by the start of next week at the latest (4 December) in order to meet this timescale.

**Advice Sought:**

Legal, Finance, Procurement, Equality and Diversity

**Legal Advice:**

The Council has statutory duties in respect of homelessness. The contracts referred to in this report are intended to meet the Council's statutory duties. The Homelessness Reduction Act 2017 (once implemented) will enhance the Council's duties in particular to take proactive steps to prevent homelessness. The legal services team will provide advice and assistance to the commissioning team to ensure the contracts cover the new statutory duties.

Where the services to be commissioned are dependent on the provision of accommodation the Council must ensure it allows sufficient time for providers to arrange the provision of the accommodation. The Council must put in place a strategy which gives it confidence that accommodation will be made available by successful providers including any contingency plans where there are delays. Sufficient time should be built in to the commissioning process to enable a reasonable period of transition for providers based on the complexity of the arrangements including time to manage any TUPE transfers.

It is assumed that the proposal for a 5 plus 4 year contract is too give providers certainty however the contracts must also provide flexibility for the Council and need to include terms and conditions which deal adequately with pricing.

Advice provided by Andrew James (Team Leader Contracts and Commercial) on 23/10/2017.

**Finance Advice:**

The delivery of this procurement process supports the Homelessness Strategy; the financial objective is to provide services within budget mitigating the current budget pressure potentially identified in 2018/19+.

This strategy needs to align to any requirements issued by Central Government and maximise any grants to deliver effective interventions.

The final contract award will be within budget, any variation will require appropriate constitutional approval.

Advice provided by Ceri Walters (Finance Business Partner) on 23/10/2017.

**Procurement Advice:**

The procurement of Social Inclusion Homelessness Services proposed in this report will be undertaken by the Procurement Team in compliance with the requirements of EU and UK Procurement Regulations (Light Touch Regime) which require services of this type above the value of £589,900 to be advertised and procured in accordance with these rules. Due to the complexity of the services and changes to the model that are proposed, the procurement process should allow sufficient time for bidders to prepare their tenders - in particular any providers (such as small and voluntary organisations) that may wish to collaborate in relation to the service delivery. In light of the new model and complexity of these services, premises requirements for supported accommodation and potential TUPE implications, there are some risks arising from the timescales for the new contracts to be implemented and transition to new arrangements by April 2018.

Advice provided by Jo Pettifor (Procurement Team Manager) on 23/10/2017.

**Equality and Diversity  
Advice:**

The proposal seeks to support some of the city's most vulnerable citizens in a variety of environments. It will be important that monitoring and review is central to any new developments in order that the maximum beneficial impact is felt and experienced by the city's growing homeless citizens. Equality of access and positive outcomes will need to be across all the protected groups if the Public Sector Equality Duty is to be met.

Advice provided by Adisa Djan (Equalities and Diversity Consultant) on 25/10/2017.

**Signatures:**

Jon Collins (Leader of the Council)
SIGNED and Dated: 01/12/2017
Candida Brudenell (Corporate Director for Strategy and Resources)
SIGNED and Dated: 30/11/2017