

**TENDERING OF SERVICES FOR HOMELESSNESS AND PEOPLE  
IN VULNERABLE CIRCUMSTANCES**

<b>Cabinet Date</b>	30 January 2019
<b>Adult Social Care: Commissioning</b>	Cllr Roger Wilson
<b>Key Decision</b>	Yes
<b>Background Documents</b>	<p>Medium Term Financial Strategy– 2019/20 to 2021/22 Cabinet Report 19<sup>th</sup> December 2018</p> <p>Provision of Services for Homelessness and People in Vulnerable Circumstances Cabinet Report 31st January 2018</p> <p>Investing in Support for Homeless Vulnerable People - Interim Arrangements Cabinet Report 1st February 2017</p> <p>Due Regard Statement – set out in Appendix A</p>
<b>Location for inspection of Background Documents</b>	<p><a href="http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1">http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1</a></p> <p>Hard copies can be obtained from: Kathryn Rees: Lead Commissioner Supporting People Tel: 01452 328485 Email: <a href="mailto:kathryn.rees@gloucestershire.gov.uk">kathryn.rees@gloucestershire.gov.uk</a></p>
<b>Main Consultees</b>	<p>Districts Councils</p> <p>Gloucestershire Clinical Commissioning Group</p> <p>Social Care Commissioners and Delivery</p> <p>Service Users</p> <p>Providers</p>
<b>Planned Dates</b>	<p>Provider market engagement – February 2019</p> <p>Indicative dates:</p> <ul style="list-style-type: none"> <li>• Publish ITT ‘Open Framework’ – Spring 2019</li> <li>• Evaluate and confirm Framework awards - Summer 2019</li> <li>• Call off awards – Autumn 2019</li> <li>• Service start dates: Accommodation and Community Based Support Services – 1<sup>st</sup> April 2020</li> </ul>

<b>Divisional Councillor</b>	All
<b>Officer</b>	Kathryn Rees: Lead Commissioner Supporting People Tel: 01452 328485 Email: <a href="mailto:kathryn.rees@gloucestershire.gov.uk">kathryn.rees@gloucestershire.gov.uk</a>
<b>Purpose of Report</b>	To gain approval for the Council to: <ol style="list-style-type: none"> <li>1. acting as lead authority, create a multi-supplier 'Open Framework' Agreement for the provision of services to people in vulnerable circumstances and homeless with complex need.</li> <li>2. award contracts using the Open Framework for Accommodation and Community Based Support with an estimated value of £66.3M.</li> </ol>
<b>Recommendations</b>	That Cabinet authorises the Director of Public Health to: <ol style="list-style-type: none"> <li>1. Develop and conduct an EU compliant competitive tender process with the Council acting as lead authority for the creation of a 4 year multi-supplier 'Open Framework' for the delivery of services to people in vulnerable circumstances and homeless with complex needs. The 'Open Framework' will be divided into specialist Lots and have a total estimated value of £100M over its term which comprises both the council's projected value of call off contracts (some which may extend for a longer period than the Framework itself) currently estimated to be in the region of £80M and that of the participating local partners.</li> <li>2. Conduct the tender on the basis that the specialist Lots will be re-opened: <ol style="list-style-type: none"> <li>(a) annually on each anniversary of the commencement date of the "Open Framework" throughout its term for the admission of new providers who meet the selection criteria; and</li> <li>(b) at any time during the term of the "Open Framework" in the event that there is a single supplier appointed to one of those specialist Lots who subsequently becomes insolvent or is removed or suspended from the "Open Framework".</li> </ol> </li> <li>3. Upon the conclusion of the competitive tender process, to appoint the preferred provider(s) to each specialist Lot under the 'Open Framework' that have been evaluated as meeting the standards set out in the evaluation criteria subject to any limitation on numbers that may have been provided for in the tender process.</li> <li>4. Simultaneously conduct with the tender process for the "Open Framework" a tender process for the award by the Council of a number of contracts for the provision of Community and</li> </ol>

	<p>Accommodation Based Support Services each contract being for a term of 7 years comprising an initial term of 3 years with 2 options to extend for a further 2 years in each case, with an estimated aggregated total value of all contracts awarded by the Council of £66.3M.</p> <ol style="list-style-type: none"> <li>5. Upon conclusion of the competitive tender processes set out in Recommendation 4 above, to enter into in each case a contract with the preferred provider evaluated as offering the Council best value for money for delivery of each of the services. In the event that a preferred provider is either unable or unwilling to enter into that contract with the Council, then the Director Public Health is authorised to enter into such contract with the next willing highest placed and suitably qualified provider in each case.</li> <li>6. Use the 'Open Framework' Agreement to enter into such call off contracts during the term of the 'Open Framework' as are required to meet the Council's assessed needs for the 'Open Framework' services in accordance with the Council's Constitution.</li> </ol>
<p><b>Reasons for recommendations</b></p>	<p>To:</p> <ol style="list-style-type: none"> <li>1. Enable the continued delivery of services to homeless people with complex needs and people in vulnerable circumstances following the end of the current contractual arrangements for the Community and Accommodation Based Support provisions that are due to end on 31<sup>st</sup> March 2020; and</li> <li>2. Develop an improved approach to joint commissioning.</li> </ol>
<p><b>Resource Implications</b></p>	<p>The Council's budget for the investment in Community and Accommodation Based Services to support people in vulnerable circumstances in 2018/19 has been £8.56M.</p> <p>The Council's total combined budget for the procurement of services through the 'Open Framework' will be in the region of £80M for the duration of the 'Open Framework'.</p> <p>No Council staff are currently employed in this area.</p>

## 1. Background

- 1.1 Provision of support to adults in vulnerable circumstances has previously been commissioned under the auspices of Public Health targeted services and the Supporting People Strategy 2011 – 2015.
- 1.2 The learning and experience gained through the implementation of the Supporting People Strategy 2011 – 2015, informed the development of the Settled, Secure and Safe Lives in Gloucestershire Policy agreed by Cabinet in April 2016. This policy sets out the Council's approach to working with people, communities and partners to ensure provision of support to people in vulnerable circumstances. The objectives of this policy remain aligned to the the ambitions of the Council's Draft Strategy *Looking to the Future 2019 – 2022*, in particular:
  - **A Resilient county** - Active, resilient local communities that keep people safe, provide them with support and help them to make a positive contribution
  - **An Inclusive county**- The economic and social benefits of growth to be felt by all
  - **A Healthy county** - People to have a good work/life balance and improved health and wellbeing
- 1.3 The Council continues to work closely in partnership with other agencies, particularly district councils, to evaluate and develop services and pathways that enable independent living and prevent homelessness.
- 1.4 In January 2018 Cabinet agreed to award 18 month contracts, each for an initial term of 6 months with options to extend for two further periods of up to 6 months each, to the incumbent providers of Community and Accommodation Based Support Services. This was to enable the Council to continue to work with partners and providers to understand and assess the impact of new legislation; emerging guidance and the proposals for the future funding of supported housing, which were subject to consultation at that time.
- 1.5 This assessment was to inform the development of an EU compliant procurement model that considers the 'whole system' and provides comprehensive support to people in vulnerable circumstances. The model is to address fluctuating patterns of demand across accommodation and community based support and achieve effective pathways to independent living across the system.
- 1.6 An extensive range of engagement has been undertaken, with service users, commissioners of social care, social workers, stakeholders and partners, to understand the value of accommodation and community based support services and provide insight into the current 'system wide' experiences of people in vulnerable circumstances and inform the development of the proposed approach as described in paragraph 4.

## 2. Current provision

- 2.1 The Council currently funds a number of services to support people in vulnerable circumstances to enable people to maximise and sustain independent living & prevent (repeat) homelessness. There are two distinct service delivery models as described below.

## 2.2 **Community Based Support:**

Community Based Support Services (CBS) support people in any form of accommodation and across a continuum of need from early intervention and prevention through to intensive support for people in crisis/ high level and complex need. Where appropriate, CBS will signpost individuals to other more specialist housing related support, including accommodation based providers; and support resettlement into the community.

2.3 A small number of specialist services are also funded for specific protected characteristics groups.

2.4 This short term, community based model has been able to reach out across the county and significantly increase the numbers of people supported.

## 2.5 **Accommodation Based Support**

The Accommodation Based Services (ABS) for Homelessness, Young People at risk and Mental Health have been engaged in a transitional process to shift to a targeted approach to assist individuals with complex, multiple and high level needs and to challenge behaviours in a supportive empowering environment. People with no, or low levels of need, are supported by securing appropriate housing with Community Based Support provided on a short term basis, until the service user can fully sustain independent living.

## 2.6 **Wider Pathway Provisions**

The accommodation based support services operate within a broader partnership pathway designed to move homeless people quickly off the streets and into the most appropriate services, housing options and communities; and intervene as early as possible for people in vulnerable circumstances to prevent further risk of harm. The pathway includes community based support services, to support individuals to access accommodation based support and/or resettle into independent accommodation.

2.7 The pathway also includes other services commissioned by, and in partnership with, partner agencies; for example the jointly commissioned assertive homeless outreach service, which has been vital in identifying rough sleepers and seeking to get them into the appropriate provision of the pathway.

2.8 The improved co-ordination of services has enabled the partnership to identify gaps and consider opportunities to further develop the pathway. This intelligence has enabled the partnership to secure additional funding such as the Government's Social Impact Bond for entrenched rough sleepers and repeat users of homeless services. ACTion Glos is working with a 126 individuals who have multiple and complex needs, including homelessness. Since the service started, 88 individuals have been assisted into accommodation by early December 2018.

## 3. **Developing Future Arrangements**

3.1 A number of partnership fora routinely meet to evaluate and develop services and pathways that enable independent living and prevent homelessness. Intelligence captured through the delivery of the Council's commissioned services is routinely shared with partners, especially the district councils; to consider needs, appropriate responses and use of resources across the system.

- 3.2 A broad range of further stakeholder consultation has been undertaken to consider the future shape of services and how they can align with broader commissioning intentions and objectives across the wider system, in order to meet the needs of people in vulnerable circumstances. This consultation has also informed the appraisal of the options as described in paragraph 5 of this Report. A summary of the feedback is detailed in the Due Regard Statement attached as Appendix A.

#### **4. The proposed Open Framework Agreement procurement**

- 4.1 It is proposed that a 4 year multi supplier 'Open Framework Agreement' is developed to improve joint commissioning at a strategic level. The 'Open Framework Agreement' will be divided into specialist themed Lots which will be accessible to all participating local public sector partners. This approach will align current and future investment across the county to:

- Maintain support for people in vulnerable circumstances and homeless with complex needs;
- balance fluctuating demands across the system;
- shift over time towards prevention and away from reactive crisis;
- increasingly integrate/consolidate provision and influence practice across the system;
- support the development of a more confident system wide workforce;
- ensure consistent quality and practices (e.g. Adverse Childhood Experiences and trauma informed approaches);
- collect shared robust intelligence, and
- enable effective partnership response to external funding opportunities.

- 4.2 The outcomes of this approach will be to:

- reduce repeat incidents of homelessness and other forms of crises;
- build individual and community resilience (e.g. group work and peer support); develop planned pathways of move on from homelessness/crisis; sustain positive outcomes; reduce the incidence of (repeat) Rough Sleeping and entrenched homelessness;
- ensure workers are competent and confident across the system in identifying and responding to housing issues.

- 4.3 Service changes arising from the end of the Council's current contracts and the award of new contracts may result in TUPE issues between the incumbent provider and any new provider(s) when call off contracts are awarded under the Open Framework Agreement and timescales will be built into the procurement processes to take account of these potential issues. No Council staff will be affected.

#### **5. Options**

- 5.1 The following options have been considered:

##### **Establishing the "Open Framework"**

- i. Do nothing – allow the current contracts to end in March 2020. This option is not recommended as it would reduce support to people in vulnerable circumstances and homeless with complex needs; with an adverse impact on other health, housing and social care services.

- ii. Procure both Community and Accommodation Based Services using block contracts by single provider option. This option is not recommended as it does not offer flexibility over the lifetime of the contracts for changing levels of investment from partners. There are concerns that this model would damage the provider market as smaller specialist providers would not be able to bid for such large contracts.
- iii. Place based integrated ABS and CBS contracts – This option is not recommended as it does not offer flexibility over the lifetime of the contracts for changing levels of investment from partners. There are concerns that this model will not allow flexibility of resource across areas to respond to fluctuating demands and will risk a subsequent lack of equity of access across the county. There are also concerns that this model would damage the provider market as smaller specialist providers would not be able to bid for such large contracts.
- iv. Develop and conduct an EU compliant competitive tender process with the Council acting as lead authority for the creation of a 4 year multi-supplier, multi purchaser “Open Framework” for the procurement of services by identified local partners across Gloucestershire. The call-off contracts made under the “Open Framework” could be for longer than the “Open Framework” term. The aggregate value of the “Open Framework” will be the potential combined spend of the Council and all the participating local partners and should ensure a joined up approach to delivering the shared outcomes through a pool of selected suppliers; this should create the ability to respond more quickly to procuring services as well as ensuring suppliers are familiar with the objectives of the partnership. The Council will be responsible for calling off its own contracts and similarly the local participating partners will be responsible for calling off their own contracts. Future arrangements for the Council’s calling off contracts through the “Open Framework” will be made in accordance with the Council’s constitution, the “Open Framework” terms and all statutory and legal obligations of the Council and all relevant statutory guidance. The use of an “Open Framework” does not commit either the Council or the local partners to appointing framework suppliers to individual projects; both the Council and local partners retain the ability to procure services outside of the “Open Framework” if necessary. The use of the “Open Framework” to award call-off contracts for the provision of Community and Accommodation Based Support Services is an efficient and cost effective way of ensuring the continued delivery of these services to meet the needs of vulnerable services users.

## **5.2 Call-off contracts**

- i. For the Council to use the “Open Framework” to simultaneously tender and award a number of contracts for the provision of Community and Accommodation Based Support Services each contract being for a term of 7 years comprising an initial term of 3 years with an option to extend for a further 2 periods of 2 years each; the estimated aggregate total value of all the Council awarded contracts under this Option 5.2(i) is £66.3M.
- ii. To use the Framework Agreement to award contracts for the provision of Community and Accommodation Based Support Services for a shorter term than that described in Option 5.2(i).

- iii. To use the Framework Agreement to award contracts for the provision of Community and Accommodation Based Support Services for a longer term than that described in Option 5.2(i).

## 6. Officer Advice

It is recommended that Cabinet agree to the implementation of:

- 6.1 Option 5.1(iv) the tendering of services for people in vulnerable circumstances and homeless with complex needs with the Council acting as the lead authority for the creation of a 4 year multi-supplier framework that enables the Council and its partners to procure community and accommodation based services; and
- 6.2 Option 5.2(i): the award by the Council of a number of 7 year call off contracts, comprising an initial term of 3 years with an option to extend for a further 2 periods of 2 years in each case, for the provision of Community and Accommodation Based Support Services to make adequate provision to meet local needs when the Council's current contracts come to an end in March 2020. The length of the initial term and subsequent options to extend provides adequate assurance of business continuity for the market to positively engage with the "Open Framework" and call-off contracts; while still allowing adequate flexibility for the Council to respond to changing levels of demand across the system of Community and Accommodation Based Support Services.

## 7. Risk Assessment

- 7.1 There are four main risks
  - One of the main service risks is that demand will increase. Resources aligned through the 'Open Framework' will enable those using the "Open Framework" to take a systems wide approach and seek to balance investment for the prevention and early intervention to reduce housing, health and social care crises, and provide adequate support for people with complex and high level needs.
  - That the tender process disrupts support for service users. Partnership working amongst current and new providers will be required to ensure good transitional arrangements for existing service users and staff. The commitment and support of providers tested in the consultation period assures that there is a commitment to prevent disruption to service users and enthusiasm for the proposed model, aims and approach proposed. Timescales built into the tender process will allow for TUPE and transitional issues to be carefully managed.
  - All users of the "Open Framework" will need the capacity to scope and detail their requirements and to evaluate a number of the specialist Lots on the "Open Framework". Following extensive engagement with local partners, their commitment continues to be sought prior to the Cabinet decision.
  - The 'Open Framework' will enable the Council and local partners to enter into individual contractual arrangements with providers without exposing the Council to any risk of financial liability as a result of local partners' contracts. Funding Agreements will be entered into with each of the participating local partner agencies where the Council is procuring with joint funds.

- 7.2 Risk will continue to be regularly reviewed as part of the project management process, and any significant changes will be reported to Lead Cabinet Member(s).

## **8. Equalities considerations**

- 8.1 A Due Regard Statement has been prepared and is attached to this Report as Appendix A. Consideration of the likely equalities impact of the recommended option indicates that there is no disproportionate effect upon those within the protected characteristic groups. The flexibility of the model will allow for delivery to better meet the needs and preferences of different groups within the population.
- 8.2 Cabinet Members should read and consider the Due Regard Statement in order to satisfy themselves as decision makers that due regard has been given.

## **9. Consultation feedback**

- 9.1 A range of engagement activities including independently facilitated service user and stakeholder engagement, a stakeholder workshop, provider engagement events and partnership consultations have been carried out and have informed the recommended proposals as detailed in paragraph 4 of this report.
- 9.2 Further engagement will now take place with partners and the provider market to both inform the detailed development and creation of the framework, and stimulate and support the market to engage with the Framework.

## **10. Performance Management/Follow-up**

- 10.1 Council officers will be responsible for managing the “Open Framework” and all subsequent call-off contracts procured by the Council.
- 10.2 The performance management and contract management arrangements will be fully considered in the development of the “Open Framework” and the Council’s individual call-off contract specifications.

<b>Report Title</b>	<b>Tendering of Services for Homelessness and People in Vulnerable Circumstances</b>
<b>Relevant County Council policy</b>	Council Draft Strategy: <i>Looking to The Future 2019-2022</i>
<b>Resource Implications</b>	<p>The Council's budget for the investment in Community and Accommodation Based Services to support people in vulnerable circumstances in 2018/19 has been £8.56M.</p> <p>The Council's total combined budget for the procurement of services through the 'Open Framework' will be in the region of £80M for the duration of the 'Open Framework'.</p> <p>No Council staff are currently employed in this area.</p>
<b>Sustainability checklist:</b>	
Partnerships	These proposals have been subject to consultation with strategic partners. Partners will continue to be involved in the monitoring of such arrangements and future commissioning arrangements.
Decision Making and Involvement	Stakeholders have been consulted on the proposed arrangements
Economy and Employment	No significant impact
Caring for people	Support provided for service users in vulnerable circumstances will address issues preventing them from living independently and increase individuals' resilience. Service users have been involved in consultation.
Social Value	Support for the development and use of volunteering in the services and community are examples of social value delivered through these arrangements.
Built Environment	No impact
Natural Environment' including Ecology (Biodiversity)	No impact
Education and Information	The services are required to support people to achieve positive economic outcomes, including providing information and support access education and/or training if appropriate.

<b>Tackling Climate Change</b>	<p>Carbon Emissions Implications? Neutral</p> <p>Vulnerable to climate change? No</p>
<b>Due Regard Statement</b>	<p>Has a Due Regard Statement been completed?</p> <p>Yes. A copy of the Due Regard Statement is attached as Appendix A.</p> <p>A copy of the full Due Regard Statement can also be accessed on GLOSTEXT via <a href="http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1">http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1</a></p> <p>Alternatively a hard copy is available for inspection from Jo Moore, Democratic Services Unit, e-mail: <a href="mailto:jo.moore@gloucestershire.gov.uk">jo.moore@gloucestershire.gov.uk</a>.</p>
<b>Human rights Implications</b>	None
<b>Consultation Arrangements</b>	Strategic partners have been consulted.