



REPORT TITLE: Mini competition to procure a call off contract under Lot 5i of the Gloucestershire Community and Accommodation Based Support Pseudo Framework Agreement

Dates between which decision will be taken	Earliest date: 30 January 2023 Latest date: 1 February 2023
Cabinet Member	Councillor Kathy Williams, Cabinet Member for Adult Social Care Delivery
Key Decision	Yes
Purpose of Report	To seek approval to conduct a mini-competition process under Lot 5i of the Gloucestershire Community and Accommodation Based Support Pseudo Framework Agreement in respect of a call off contract for the supply of Accommodation Based Support in Gloucester and the Forest of Dean for young people aged 16 and above.
Recommendations	<p>That the Cabinet Member for Adult Social Care Delivery delegates authority to the Director of Public Health to:</p> <ul style="list-style-type: none">a) Conduct a mini-competition process under Lot 5i of the Gloucestershire Community and Accommodation Based Support (CABS) Pseudo Framework Agreement in respect of a call-off contract for the supply of at least 32 bed spaces and Accommodation Based Support Services for homeless young people aged 16 and above in Gloucester and the Forest of Dean. The proposed call-off contract shall continue for an initial period of two years (or less if the contract commences after 1st April 2023) and include an option to extend its term for a further period of not more than two further years.b) Award such call-off contract to the preferred tenderer; andc) Determine whether to exercise the option to extend the term of such call-off contract for a further period of not more than two years on the expiry of the initial term.
Reasons for Recommendations	<p>To ensure we retain sufficient provision of 16+ Accommodation Based Support services in the county following expiry of the council's current contract for the provision such services on 31st March 2023.</p> <p>To mitigate any negative impact of the loss of such services on children's social care and district housing authorities.</p>

Resource Implications	<p>Services need to be commissioned within the current budget envelope.</p> <p>Based on a contract start date of no earlier than 1st April 2023 the maximum budget envelope for the provision of the proposed Accommodation Based Support services is as follows:</p> <ul style="list-style-type: none"> • From 1st April 2023 to 31st March 2025 = £565,000 • From 1st April 2025 to 31st March 2027 (if the council elects to exercise its 2-year extension option) = £565,000 • Total for 2-year contract + 2-year extension option (if exercised) = £1.13M <p>A 5% uplift has been requested through the council’s annual budget setting process, but this will not be confirmed until after the budget has been approved in February.</p> <p>There are no other resource implications. No GCC staff are currently employed in this area</p>
Background Documents	<ul style="list-style-type: none"> • Rough Sleeper Strategy 2018 – Ministry for Housing, Communities and Local Government (MHCLG) • Ending rough sleeping for good - GOV.UK (www.gov.uk) • Tendering of Services for Homelessness and People in Vulnerable Circumstances – Cabinet 30th January 2019 • 2-Year option to extend community and accommodation-based support contracts – Cabinet 21st September 2022
Statutory Authority	
Divisional Councillor(s)	
Officer	<p>Any representations should be sent to:</p> <p>Name: Helen Flitton Tel. no: 01452 328602 Email: Helen.Flitton@gloucestershire.gov.uk</p> <p>By 5pm on Saturday 28 January 2023</p>
Timeline	<p>Dates to be confirmed:</p> <p>Mini competition – week commencing 6th February 2023</p> <p>Contract award – week commencing 13th March 2023</p>

Background

1. The Cabinet decision made on 30th January 2019 authorised the establishment and subsequent use of the 'Open Framework' for the delivery of services to people in vulnerable circumstances and homeless with complex needs to procure call off contracts required to meet the Council's assessed needs.
2. In November 2019, GCC launched the Pseudo Multi Provider Framework agreement for the provision of Community and Accommodation Based Support (CABS) services for homelessness and people in vulnerable circumstances, and five call-off contracts for the supply of Accommodation Based Support (ABS) Services for young people aged 16 and over (Lot 5i, 16+ ABS) were commissioned via a mini competition through the Framework for an initial period of three years commencing 1st April 2020, with the option to extend their terms for two further periods of two years each commencing 1st April 2023 and 1st April 2025 respectively.
3. One hundred and forty-one (141) beds of 16+ ABS were commissioned under call-off contracts with five providers, with properties across the County. Of these, one provider is contracted to supply forty-two (42) beds: ten (10) in the Forest of Dean; ten (10) in Tewkesbury; and twenty-two (22) in Gloucester.
4. In September 2022 Cabinet agreed to the first two-year extension of all the Community and Accommodation Based Support (CABS) contracts to commence on 1st April 2023. One of the risks noted in that report (paragraph 10) was that existing providers may be unable or unwilling to continue with service delivery beyond March 2023 due to the current climate of inflationary and workforce pressures.
5. In November 2022 GCC were informed by the provider noted in paragraph 3, that due to financial pressures, they did not want to accept the council's proposed 2-year extension of their Lot 5i call-off contract and have declined to continue to provide the Accommodation Based Support services in Gloucester, Tewkesbury and the Forest of Dean.
6. The 16+ Accommodation Based Support services form an important part of our offer to vulnerable young people who are transitioning from children's social care or who are at risk of or experiencing homelessness and rough sleeping. START (the multi-agency process that oversees the referrals and allocation of Accommodation Based Support) has identified continued demand for 16+ Accommodation Based Support, especially in Gloucester, and there are regular referrals from social care and District Housing teams.
7. Following analysis of service data and assessed need, and consultation with relevant District housing authorities and social care colleagues, we have determined that the council can secure the best value going forward, and act in the best interests of service users, by re-scoping and re-procuring the contract.

8. As such, we are proposing to reduce the number of beds we are procuring from 42 to a minimum of 32, based in Gloucester and the Forest of Dean. Young people 16 and over from Tewkesbury who are at risk of becoming, or who are homeless will still be able to access accommodation-based support in other areas and will be allowed to return to Tewkesbury when they are ready to move on through the CABS reconnection policy. Removing the beds in Tewkesbury creates a small budget envelope to cover inflationary pressures and costs which new providers may face in mobilising this contract(s).

Options

9. The following options have been considered:

- a) *Do Nothing*

A decision not to commission the replacement 16+ ABS Services in Gloucester, Tewkesbury and the Forest of Dean could result in an increased risk of homelessness and rough sleeping in the County. A loss of all 42 beds would increase pressures elsewhere in the system. Where beds are occupied, it would require significant resource to rehouse residents and prevent homelessness. The service is heavily used by Children's Services; ABS provides support for individuals transitioning from care and allows them to develop independent living skills in a safe environment before moving on to longer term accommodation. There is a risk of having to increase the use of more costly over-18 placements if we are unable to commission replacement 16+ age-group units.

- b) *Recommission the service like for like, replacing support in 42 beds with a further 42 beds*

A like for like replacement of 42 beds, given inflationary pressures in the market would increase the cost significantly beyond the current budget allocation and there is a high risk that providers will not bid for the contract.

- c) *Re-procure the required 16+ Accommodation Based Support services in respect of the provision of bed places in Gloucester, Tewkesbury and the Forest of Dean but reduce the number of beds in Gloucester or Forest of Dean Districts*

This option has been explored with District Council partners following consideration of usage data. Demand is significantly higher in Gloucester and the Forest of Dean when compared to Tewkesbury and therefore this option is not favoured.

- d) *Re-procure the required minimum of 32 16+ Accommodation Based Support bed places in Gloucester and the Forest of Dean but reduce the number of beds to be provided in Tewkesbury Borough on the basis that Tewkesbury has the least demand for beds*

This is the preferred option. Demand for places in Tewkesbury is lower than either Gloucester or the Forest of Dean where services are currently provided. The CABS reconnection policy still applies, so residents of Tewkesbury who are placed in Forest or Gloucester ABS services will be reconnected to Tewkesbury when they are ready for independence. The reconnection policy is an agreement between CABS services and District housing authorities. Its purpose is to maximise resources across Gloucestershire to enable homeless and vulnerable people to have equal access to short-term accommodation-based services, whilst ensuring arrangements exist to enable a return to an area where they have a social support network or some other connection so that they may live independently or with longer term services in that area. Re-procuring these services, whilst unplanned at this time, does allow us to be responsive to demand for particular locations, and to current market conditions.

Risks

10. Risk that providers will not bid for the contract - LOW

Due to the current challenging market conditions, there is a risk that other framework providers appointed to Lot 5i will not be interested in bidding for the new contract, hence resulting in a loss of 42 units of 16+ ABS in the county. To mitigate this, soft market testing has been conducted to gauge appetite in the market for delivery of this service and the results indicate that there will be interest in the mini competition from other providers on Lot 5i.

11. Risk of inability to meet some Government targets in relation to homelessness and rough sleeping - LOW

ABS services are part of a multi-agency pathway for vulnerable individuals at risk of and experiencing homelessness and rough sleeping. Reducing the services available to this cohort will put other parts of the system under pressure and could potentially have a knock-on effect on demand for other statutory services such as children's social care.

12. Risk of complications related to the movement of service users from current to new buildings - MEDIUM

If a new provider chooses not to lease the current providers buildings, there is potential for a lengthy transfer process between the old and new buildings which may increase financial pressures for both providers and may also be very unsettling for service users. Consultation with the outgoing provider has been positive and has included the option for the new provider to use an existing building on a lease arrangement. Two current buildings are not owned by the current provider, but negotiations will be undertaken with the owner to facilitate a similar lease arrangement with a new provider.

13. Risk of service delivery failure due to challenging market conditions – MEDIUM

With ongoing economic pressures, there is a risk to all CABS contracts that providers will not be able to sustain their service, particularly as they operate with such tight margins. This will be mitigated as much as possible by monthly outcome and output monitoring, and risks will be regularly reviewed as part of the contract management process undertaken by GCC.

14. Public procurement issues

As the intention is to select a new supplier from the existing framework agreement by means of a mini competition process, there are no perceived public procurement related risks given that the process will be fully compliant with both the County Council's own Contract Procedure Rules and the provisions of the Public Contracts Regulations 2015.

Financial implications

15. Services need to be commissioned within the current budget envelope.

16. Based on a contract start date of no earlier than 1st April 2023 the maximum budget envelope for the provision of the proposed Accommodation Based Support services are as follows:

- From 1st April 2023 to 31st March 2025 = £565,000
- From 1st April 2025 to 31st March 2027 (if the council elects to exercise its 2-year extension option) = £565,000
- Total for 2-year contract + 2-year extension option (if exercised) = £1.13M

17. A 5% uplift has been requested through the council's annual budget setting process, but this will not be confirmed until after the budget has been approved in February.

18. There are no other resource implications. No GCC staff are currently employed in this area.

Climate change implications

19. No disproportionate impact identified.

Equality implications

20. Has an Equalities Impact Assessment (EIA) been completed? Yes

21. Cabinet Members should read and consider the Equalities Impact Assessment in order to satisfy themselves as decision makers that due regard has been given.

22. Equality considerations are embedded in the relevant service specifications. The services will closely monitor all the protected characteristics from these

cohorts to help improve delivery and outcomes for a group of people who traditionally struggle to engage with services.

23. ABS services are open to all protected characteristic groups. Whilst a reduction in the number of units of 16+ABS will potentially impact waiting times for services, overall access to services will be maintained for rural districts through the CABS reconnection policy (individuals located outside of their home District whilst in receipt of ABS services do not lose their connection to their local area when they are ready to move on).

Data Protection Impact Assessment (DPIA) implications

24. A data impact assessment has been completed for the CABS Framework and was reviewed as part of the recent contract extension process. Data impact will continue to be monitored and any identified risks highlighted to senior officers within the Public Health and Communities Hub and to the Data Protection Officer.

Social value implications

25. The opportunity to test CABS providers' commitment to embedding social value (including working with local suppliers, approaches to waste reduction, recycling, and volunteering) into their contracts formed part of the original tender process and this is regularly reviewed as part of quarterly contract monitoring and will be reviewed as part of the proposed tender. The CABS contracts continue to focus on improving the lives and outcomes of the service users and the communities within which they live.

Consultation feedback

26. Tewkesbury Borough housing colleagues indicated that their usage of the provider's building in Tewkesbury is minimal and that they don't have many requesting Tewkesbury connections for move-on.
27. Forest of Dean housing colleagues were also in agreement with the suggested amendment to the location of services.
28. Members of the Strategic Housing Partnership Oversight Group were informed of the situation at their meeting on 15th December 2022 and this was noted with no further comments.

Officer recommendations

29. It is recommended that the Cabinet Member for Adult Social Care Delivery delegates authority to the Director of Public Health to implement the Recommendations contained in this report.

Performance management/follow-up

30. The new contract(s) will continue to include specific and measurable standards and outcomes and be actively monitored through the analysis of

quarterly key performance indicators and regular meetings with the relevant providers.