

and Health Commissioning

Report to Director of Resources and Housing and Director of Children and Families

Date: 16th December 2019

Subject: To seek approval to award a contract to GIPSIL Ltd for an accommodation and support service for vulnerable young people, care leavers and unaccompanied asylum seeker children

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: 10.4 (3) Appendix number: 1	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Summary

1. Main issues

1.1. Adults and Health and Children and Families Commissioning have undertaken a comprehensive service review regarding the provision of an accommodation and support service for vulnerable young people, care leavers and unaccompanied asylum seeker children. Based on the findings of this review, the council has recently completed the procurement process to develop a delivery model and specification for a new contract to deliver the service.

1.2. The new integrated service will meet all the needs of vulnerable young people including care leavers and those who are at risk of homelessness in Leeds by providing tailored support packages comprising early interventions, intensive support and an emergency response where required to prevent homelessness and help to sustain independent living. There will be a range of accommodation options.

1.3. The service will provide each individual with a tailored support package that is flexible to meet the need of young people's lives at any particular time, providing better short and longer term outcomes to help them move into adulthood and independence.

2. Best Council Plan Implications (click here for the latest version of the Best Council Plan)

2.1. The Leeds Best Council Plan has a clear vision to be the best city for children and young people to grow up in. One of its priorities is for Leeds to be a Child-Friendly City, helping young people into adulthood, to develop life skills and be ready for work; improving the support and services available to help young people live in safe and secure environments; reducing the number of children looked after and those leaving care; improving social, emotional and mental health and wellbeing are all key components of supporting a young person to live a healthy and independent life.

In addition, this review has been guided by Leeds Children and Young People's Plan 2018-23, 2017 Homelessness Reduction Act (HRA), Children and Social Work Act 2017, Homelessness and Rough Sleeping Strategy 2019-2022, Housing Strategy 2016-2021 and Child Friendly Leeds agenda.

3. Resource Implications

3.1. The contract will be for 5 (five) years with the option to extend for a period of up to 36 months in any combination. The value of the initial 5 year contract is £19,157,858.50 and the maximum budget for the service, including extensions is £32,357,858.50, which will be funded via Resources and Housing and Children and Families budgets.

4. Recommendations

4.1. The Directors of Resources and Housing and Children and Families are asked to approve the implementation of the contract award by Procurement and Commercial Services (PACS) to ensure that the mobilisation of the new service can commence as soon as possible and that the new service is in place and operational from 1st July 2020 and run for 5 (five) years, with the option to extend the contract for a period up to 36 months in any combination.

4.2. The Directors of Resources and Housing and Children and Families are asked to note that the contract will be delivered by a consortium of agencies, collectively called Our Way Leeds. Gipsil Limited are the lead consortia partner, with the other partners being Foundation, Turning Lives Around and Vision Housing.

5. Purpose of this report

This report seeks approval to award the contract to the recommended provider.

6. Background information

6.1. Following an extensive service review, a procurement exercise has been undertaken using the Open Procedure as set out in the Public Contracts Regulations 2015. As this was a new service, it was recognised that negotiations with tenderers may be required in order to ensure that the Council's requirements can be met, should evaluation of bids under the open procedure fail to produce a successful outcome. The process included a requirement that potential providers must pass the technical and professional ability questions included in the Standard Selection Questionnaire (SSQ), to confirm that potential providers have the required experience and knowledge to deliver this service.

6.2. The procurement process was advertised as follows:

Stage 1

The Open Procedure will follow as described in paragraph 6.1. Stage 2 and 3 will only proceed if Stage 1 results in the council not being able to appoint a successful tenderer following evaluation.

Stage 2

If an appointment cannot be made due to uncertainties surrounding the top ranked tenderer(s), following evaluation of the initial tender submissions (stage 1), a shortlist of up to 2 tenderers/consortia will be invited to negotiate and submit a best and final offer, but the shortlisted tenderers must be within 10% of the top ranked bidder, otherwise the top ranked bidder may only be invited to negotiate.

Negotiations would only be permitted on the following areas:

- Complex needs
- Housing management
- Governance
- Service delivery model

Stage 3

Best and Final Offer (BAFO). Submit final tender for evaluation.

6.3. The procurement was published on YORtender and advertised in the Official Journal of the European Union on 15th July 2019 and the submission deadline was 25th September 2019.

6.4. The budget for the service will be merged from current budgets for Resources and Housing and Children and Families Directorates.

7. Main issues

7.1. Two compliant tender submissions were received for the provision of the Young People's Accommodation and Support service in Leeds via YORtender (the Council's electronic tendering system) on 25th September 2019 and were checked for compliance against the tender instructions by PACS.

7.2. Only one of the bids passed the technical stage of the SSQ evaluation held on 1st October 2019 to proceed to the next stage of the tender evaluation process.

7.3. The evaluation panel comprised of colleagues from Adults and Health directorate, Children and Families directorate, Resources and Housing directorate and an external partner from Leeds Federated Housing (who evaluated the Housing Management questions only.) The chair of the panel was the Head of Commissioning from Adults and Health directorate. A PACS representative was in attendance to provide support, guidance and advice to the evaluation process.

7.4. The evaluation was based on a 70% quality 30% cost basis to ensure the new service can deliver a high quality service in order to maximise the service outcomes. The approval to proceed on the basis of 70% quality was approved under Delegated Decision Notification D49799 dated 26th June 2019. There was a maximum of 1,000 points available overall, 700 points for the quality evaluation (comprising 595 points for the method statement and 105 points for interviews) and 300 points for the price with a set maximum management/overhead charge of 10%.

7.5. The evaluation scores used in the quality evaluation are presented in Appendix 1. A minimum threshold was applied to each question (60% pass rate per method statement question) on the basis that if a tenderer scores less than this on a particular question, then it will be at the discretion of the decision maker as to whether they are accepted or not. A score less than 70% overall would mean that a tenderer would be automatically eliminated from the evaluation process and not considered for the contract. The tender submission was evaluated in accordance with the instructions contained in the tender documents. There were 11 qualitative method statement questions/section for the tenderers to respond to, and these were:

- Service model
- Governance
- Performance
- Responding to need
- Accessibility
- Risk
- Complex needs
- Independent living

- Social value
- Partnerships
- Housing Management

7.6. The method statement responses were evaluated on a consensus basis at evaluation meetings held on 10th and 11th October 2019.

7.7. The final part of the quality evaluation was a sound recorded interview during which the bidder attended two interviews:-

1. Interview with a panel of Young people, 7th November 2019
2. Interview with panel of officers, 8th November 2019

The interview comprised of 5 questions on the following topics:

Young People Panel

- Presentation – Your Bid Come to Life

Interview with Panel of Officers

- Workforce Development
- Joint Support Planning
- Strategic Partnership Development
- Supporting the Local Authority to meet its statutory duties

7.8. The interview was attended by all the members of the panel and the marks allocated in respect of the interviews are included in Appendix 1.

7.9. The total number of marks achieved by the tenderer was above the required quality evaluation (interview and method statement) threshold.

7.10. The price evaluation accounted for 300 of the total points available as efficiency savings had already been built into the annual contract value. Tenderers bidding outside of a set pricing range would have been automatically eliminated from the process and not considered for the contract. GIPSIL Ltd scored 217.7 points and met all the requirements of the price evaluation.

7.11. Gipsil Ltd overall score was 731.7 out of 1000 points based on the quality/price split. It was clearly identified by their tender submission and consequently the interviews that Gipsil Ltd demonstrated a clear and knowledgeable understanding of the new service delivery model, therefore procurement stage 3 was not required.

7.12. Final due diligence checks of the successful tenderer as part of the SSQ self-assessment process are being undertaken by the PACS team. This final vetting process will ensure their Health & Safety and Safeguarding policies meet the council's minimum standards. Whilst the completion of this process may still be ongoing when the decision to award the contract is made, the contract will not be awarded until all of the checks have been satisfactorily completed.

7.13. Following a mobilisation period, the new service will commence on 1st July 2020, and run for 5 (five) years, with the option to extend the contract for a period up to 36 months in any combination.

8. Corporate considerations

8.1 Consultation and engagement

8.1.1. Significant consultation has been undertaken during the development of the new service model including with strategic partners, providers, young people, community members and LCC officers including Children's Social Work Services and Leeds Housing Options.

8.1.2. The Deputy Leader and Executive Member for Communities and the Executive Member for Children and Families have been briefed at key points throughout the process.

8.2 Equality and diversity / cohesion and integration

8.2.1. An Equality, Diversity, Cohesion and Integration Screening Assessment has been completed for this project.

8.3 Council policies and the Best Council Plan

8.3.1. The Leeds Best Council Plan has a clear vision for Leeds to be the best city for children and young people to grow up in. One of its priorities is to be a Child-Friendly City, helping young people into adulthood, to develop life skills and be ready for work; improving the support and services available to help young people live in safe and secure environments; reducing the number of children looked after and those leaving

care; improving social, emotional and mental health and wellbeing are all key components of supporting a young person to live a healthy and independent life.

8.3.2. The new service will support vulnerable young people and care leavers and Unaccompanied Asylum Seeking Children with a meaningful, supportive and continuing offer that can adjust to meet different needs at different times in our young people's lives and provides better short and longer term outcomes to help them move into adulthood. The support provided by the service will be essential in supporting vulnerable care leavers, for whom the local authority has had corporate parenting responsibility, helping care experienced young people to move to independent living in a safe, planned and sustainable way.

8.3.3. In addition, this review has been guided by Leeds Children and Young People's Plan 2018-23, 2017 Homelessness Reduction Act (HRA), Children and Social Work Act 2017, Homelessness and Rough Sleeping Strategy 2019-2022, Housing Strategy 2016-2021 and Child Friendly Leeds agenda.

Climate Emergency

8.3.4. Environmental considerations of delivering the new service were included and evaluated as part of the tender exercise.

8.3.5. The service specification requires that the provider must meet all Legislation, Guidance and Good Industry Practice in environmental management and the objectives of the Authority's sustainability policies. Officers from Adults and Health and Children and Families will work with the service through the contract management process to ensure it is proactively seeking to minimise its carbon footprint, thereby supporting the Council in achieving its ambition to be carbon neutral by 2030.

8.4 Resources, procurement and value for money

8.4.1. The contract will be for 5 (five) years with the option to extend for a period of up to 36 months in any combination. The value of the initial 5 year contract is £19,157,858.50 and the maximum budget for the service, including the optional 36 months extension is £32,357,858.50, which will be funded via Resources and Housing and Children and Families budgets.

8.4.2. The tender submission received from Gipsil LTD is within budget, with a proposed saving of £433,141.50 over the five year term of the contract.

8.4.3. Legal implications, access to information, and call-in

8.4.4. The procurement has been undertaken in accordance with the council's Contract Procedure Rules and the Public Contract Regulations 2015.

8.4.5. This decision to award the contract is a significant operational decision as it is a direct consequence of the previous key decision giving authority to procure which was approved on 26th June 2019.

8.4.6. Appendix 1 to this report, which contains details of the tender evaluation scores, has been marked as exempt from publication under Access to Information Procedure Rules 10.4 (3) on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that

information) which, if disclosed to the public, would, or would be likely to prejudice the commercial interests of that person or of the Council. The information is exempt if and for so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. In this case it is considered in the public interest to maintain the exemption.

8.5. Risk management

8.5.1. The procurement process has been undertaken in a fair, open and transparent way and in adherence with the council's Contract Procedure Rules and the Public Contract Regulations 2015.

8.5.2. Project risks were reviewed on a regular basis and the project team will continue to meet and therefore monitor any risks during the mobilisation phase of the project.

9 Conclusions

9.1. The procurement has been undertaken in line with relevant procurement processes. The recommendation to award the contract to GIPSIL Ltd follows the evaluation of the quality and price aspects of their submitted tender.

9.2. Gipsil Ltd has been found to meet the necessary criteria, reflecting the desired outcomes that the Council would hope to achieve through the delivery of the contract whilst achieving value for money.

10 Recommendations

10.1. The Directors of Resources and Housing and Children and Families are asked to approve the implementation of the contract award by Procurement and Commercial Services (PACS) to ensure that the mobilisation of the new service can commence as soon as possible and that the new service is in place and operational from 1st July 2020 and run for 5 (five) years, with the option to extend the contract for a period up to 36 months in any combination.

10.2. The Director of Resources and Housing and Children and Families are asked to note that the contract will be delivered by a consortium of agencies, collectively called Our Way Leeds. Gipsil Limited are the lead consortia partner, with the other partners being Foundation, Turning Lives Around and Vision Housing.

11 Background documents¹

None.

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.