

Tender evaluation and contract award of the Street Outreach Service for People who are Rough Sleeping

Date: 17th December 2021

Report of: Head of Commissioning (Housing and Public Health)

Report to: Director of Communities, Housing and Environment

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- This report outlines the process undertaken to procure a new Street Outreach Service for people who are rough sleeping.
- This will support the housing priority of *Minimising homelessness through a greater focus on prevention*.

Recommendations

The Director of Communities, Housing and Environment is recommended to award a contract to Change, Grow, Live Services Limited with effect from 1st April 2022 until 31st March 2027, with an option to extend for up to a further 36 months. The value of this decision is £1,035,476.83 for the initial 5-year contract period.

Why is the proposal being put forward?

- 1 Leeds City Council currently commissions a Street Outreach Service (SOS), which is a city-wide assertive outreach and support service for people who are rough sleeping and / or begging, to help them move away from the streets and access a range of support agencies including housing and health services. The contract expires on 31st March 2022.
- 2 A review of the current provision has been undertaken, including data analysis, consultation with current service users, staff and stakeholders, and a reflection on best practice in other cities across England. This has determined that there remains a need for this provision and that it is a successful approach to addressing rough sleeping, and approval was granted on 28th September 2021 to procure a new contract.
- 3 The tender documents were published on YORtender on 25th October 2021, with a submission deadline of 18th November 2021. Tender requirements were for submission of a standard selection questionnaire (SSQ - a due diligence document), method statements, price schedule and social value commitments.
- 4 The tender evaluation was conducted by a panel of officers from Adults and Health Commissioning, Housing Options and Safer Leeds. The overall scoring process was undertaken on a consensus basis and overseen by Procurement and Commercial Services (PACS).
- 5 One tender submission was received. This demonstrated at the SSQ stage that the organisation had sufficient experience of delivering this type of service and therefore progressed to the method statement evaluation stage. The method statement responses exceeded the minimum scores required, with no issues being identified.
- 6 The panel then reviewed the pricing schedule and was able to confirm the annual contract values in the tender did not exceed the maximum value as set out in the specification. No clarifications were required.
- 7 A detailed breakdown of the evaluation and scoring of the bid received is provided in the confidential Appendix 1.
- 8 The Appendix in this report is confidential and exempt under Access to Information Procedure Rule 10.4(3) as it contains information relating to the business affairs of organisations involved throughout the process. It is felt that if this is disclosed this would, or would be likely to, prejudice the commercial interest of the Council.
- 9 Due diligence checks concerning safeguarding policies, health and safety, finance, references and insurance were undertaken. After a positive response to clarifications concerning the safeguarding policies, all areas other than the financial checks were determined to be satisfactory.
- 10 As a result of the financial checks undertaken it was identified that the organisation who submitted a tender for this service, Change, Grow, Live Services Ltd did not meet the minimum financial requirements for this contract. However, in order to mitigate any risk to the council, it has been agreed that a Parent Company Guarantee will be completed as a condition of the contract award in respect of the parent company Change, Grow, Live who do meet the financial requirements of the contract.

What impact will this proposal have?

Wards Affected: All

Have ward members been consulted?

Yes

No

- 11 This proposal will prevent a significant service gap which would occur if a new service is not commissioned to replace the existing provision which will end on 31st March 2022. This service will contribute to reducing rough sleeping across the city.
- 12 An Equality Diversity Cohesion Integration screening has been completed and is attached. There are no issues to be addressed.

What consultation and engagement has taken place?

- 13 A service review was undertaken including consultation regarding the current provision with stakeholders, staff and service users. The information collected during this process informed the development of the new specification.
- 14 The Executive Member for Environment and Housing was briefed in July 2021 and updated during the process.

What are the resource implications?

- 15 The value of this decision is £1,035,476.83 for the initial 5-year contract period. This sum is available from the Communities, Housing and Environment revenue budget.
- 16 The allocated budget for the service was £1,075,000 over the initial five year period. A saving of £39,523.17 has therefore been realised.

What are the legal implications?

- 17 The decision to award this contract is a direct result of a previous Key Decision (D54524) and is therefore exempt from call in, in accordance with Article 13.4.2(c) of the Constitution.
- 18 The procurement has been undertaken in accordance with the Public Contracts Regulations 2015 and, the council's own Contracts Procedure Rules. Following evaluation, the panel believes that the contract should be awarded as set out in the recommendations of this report.

What are the key risks and how are they being managed?

- 19 Should the approval not be granted there would be a significant service gap once the current contracts end on 31st March 2022. There is an evidenced need for this provision and should it not continue to be delivered beyond the expiry of the current contracts, this would significantly affect the Council's aim of ending rough sleeping in the city.
- 20 A mobilisation period has been built into the procurement timetable to ensure that the service can be fully mobilised before the start date of the new contract on 1st April 2022. The successful bidder has a proven track record and has been successfully delivering the current contract, therefore there will not be significant disruption.
- 21 The contract will be managed by officers in Adults and Health. This will include regular reviewing of performance information and quarterly contract management meetings with the providers, at which any service delivery issues will be discussed.

Does this proposal support the council's 3 Key Pillars?

Inclusive Growth

Health and Wellbeing

Climate Emergency

- 22 The service specification requires that the service undertakes to meet all legislation, guidance and good industry practice in environmental management and the objectives of the Council's sustainability policies. Officers from Adults and Health will work with the provider through the established contract management process to ensure the service is proactively seeking to minimise its carbon footprint and thereby support the Council in achieving its ambition to be carbon neutral by 2030. Much of the work is carried out by staff on foot, resulting in low levels of traffic emissions.
- 23 The contract will also make a contribution to the Leeds Health and Wellbeing Strategy (2016-2021) in terms of helping to ensure that *'people will live in healthy, safe and sustainable communities'*.

Options, timescales and measuring success

a) What other options were considered?

- 24 There was the option of ending the provision once the current contract expires. However, this would significantly affect the Council's aim of ending rough sleeping in the city, and the procurement exercise resulted in a bid which satisfied all of the evaluation criteria.

b) How will success be measured?

- 25 The Service will be subject to a robust Performance Management Framework which includes a number of Key Performance Indicators and other service delivery outcomes. All outcomes and indicators will be subject to review on an annual basis to reflect changes in demand and performance.
- 26 Contract management meetings will be held between Leeds City Council and the Contractor on a quarterly basis, or more frequently if required. They will cover topics such as service delivery and development, performance, finance, safeguarding, contract issues, and compliments and complaints.
- 27 The Service will also be monitored against Leeds City Council's Quality Management Framework which is structured around the themes of: Well-led; Performance; Safe; Effective; and Client Involvement

c) What is the timetable for implementation?

- 28 The mobilisation period will begin in January 2022.
- 29 The contract will begin on 1st April 2022.

Appendices

- 30 Confidential Appendix 1 – Tender Evaluation Summary
- 31 EDCI screening

Background papers

- 32 N/A