

DELEGATED DECISION NOTIFICATION

REF NO¹

D35386

DECISION MAKER

Chief Housing Services Officer

SUBJECT²

Supporting People Request to enter into a framework contract with Cascade Homes, Care Solutions and Green Investments (Jump) for the supply and management of temporary accommodation for a period of 12 months.

DECISION³

COUNCIL FUNCTION <input type="checkbox"/>	EXECUTIVE DECISION (KEY) <input checked="" type="checkbox"/>	EXECUTIVE DECISION (MAJOR) <input type="checkbox"/>	EXECUTIVE DECISION (OTHER) <input type="checkbox"/>
NOT SUBJECT TO CALL IN	⁴ EXEMPT FROM CALL IN: YES / <u>NO</u>	⁴ EXEMPT FROM CALL IN: YES / NO	NOT SUBJECT TO CALL IN

Request to enter into a framework contract with Cascade Homes, Care Solutions and Green Investments (Jump) for the supply and management of temporary accommodation for a period of 12 months, commencing in May 2009, at a cost of £2.6M per annum.

This is a Key Decision because the value of the contract is over £250,000.00 per annum and as such has been placed on the Forward Plan.

AFFECTED WARDS

ADVICE SOUGHT

	Yes	No
Legal	√	<input type="checkbox"/>
Finance	√	<input type="checkbox"/>
Personnel	<input type="checkbox"/>	√
Equal Opportunities	<input type="checkbox"/>	√
Other (please specify)	<input type="checkbox"/>	√

¹ This reference number will be assigned by Governance Services and notified to you

² A brief heading should be inserted

³ Brief details of the decision should be inserted. This note must set out the substance of the decision, options considered and the reason for deciding upon the chosen option, although care must be taken not to disclose any confidential or commercially sensitive information. Guidance on the substance of the note is available from Governance Services

⁴ For Key and Major decisions only. If exempt from Call In details to be provided in the report. The Call In period expires at 5.00 pm on the 5th working day after publication. Scrutiny Support will notify decision makers of matters called in by no later than 12.00 noon on the 6th day.

DECLARED OFFICER / MEMBER INTERESTS⁵ None

DISPENSATION BY STANDARDS COMMITTEE
DATE:


BACKGROUND PAPERS⁶ None

EXEMPT/ CONFIDENTIAL APPENDIX
YES NO RULE NO 10.4⁷ ()

	Yes	No	Date
Executive Member	√	<input type="checkbox"/>	_____
Ward Councillors	<input type="checkbox"/>	<input type="checkbox"/>	_____
Chief Officers Affected	<input type="checkbox"/>	<input type="checkbox"/>	_____
Others (Specify)	<input type="checkbox"/>	<input type="checkbox"/>	_____

CONTACT PERSON Debbie Forward CONTACT NO 247 6752

AUTHORISED SIGNATORY⁸


 Paul Langford

DATE
 1st May 2009

	KEY	MAJOR	OTHER
⁹ *First publication (5 day notice)	7/5/09		
Commencement for Call In	15/5/09		
Last date for Call In	22/5/09		
Implementation Date	26/5/09		

* If key decision not on Forward Plan, the reason and need that the decision be taken are that:

⁵ No officer having a pecuniary interest in any matter should take a decision in relation to that matter. Other interests of a non-disqualifying nature should be recorded here.

⁶ A separate Index should be prepared if necessary. ALL DOCUMENTATION UPON WHICH THE DECISION WAS BASED MUST BE RETAINED AND BE READILY ACCESSIBLE SO IT CAN BE PRODUCED SHOULD THE DECISION BE CHALLENGED

⁷ Relevant Access to Information Procedure Rules to be quoted if there is an exempt appendix

⁸ The signatory must be duly authorised by the Director to make the decision in accordance with the Department's scheme. It is not acceptable for the signature to be 'pp' for an authorised signatory. For Key Decisions only, the date of the authorised signature signifies that, at the time, the Officer was content that the decision should be taken. However, should representations be received following public availability of reports the signatory will consider the effect which such representations should have upon the final decision.

⁹ Governance Services will enter these dates



Originator: Debbie Forward
Tel: 247 6752

Report of: Housing Strategy and Solutions
Meeting: Delegated Decision Panel
Date of meeting: May 2009

SUBJECT: To seek approval to waive CPR 13 High Value Procurements, and invoke CRP 31.4 Waiver of Contracts Procedure Rules and to enter into a 12 month framework contract to Cascade Homes, Care Solutions and Green Investments (Jump) for the supply and management of temporary accommodation

This Report is for;			
Discussion Only <input type="checkbox"/>	Information Only <input type="checkbox"/>	Advice/consideration prior to taking a Key or Major decision or reporting to a Committee <input checked="" type="checkbox"/>	
Decision to be taken by:			
Full Council <input type="checkbox"/>	<input type="checkbox"/>	Corporate Governance and Audit Committee <input type="checkbox"/>	<input type="checkbox"/>
Executive Board <input type="checkbox"/>	<input type="checkbox"/>	Standards Committee <input type="checkbox"/>	<input type="checkbox"/>
An Area Committee <input type="checkbox"/>	<input type="checkbox"/>	Member Management Committee <input type="checkbox"/>	<input type="checkbox"/>
A Regulatory Committee <input type="checkbox"/>	<input type="checkbox"/>	A Director using delegated authority <input checked="" type="checkbox"/>	<input type="checkbox"/>

EXECUTIVE SUMMARY

The Housing Act 1996 VII (as amended by the 2002 Homelessness Act) requires Councils to secure that interim accommodation is available to homeless households seeking assistance under the homelessness legislation and, if a statutory duty is accepted, that provision of temporary accommodation is continued until the homeless household is offered either a secure or assured tenancy or agrees to accept a short hold tenancy.

The provision of a temporary accommodation service is a key strategic priority for Leeds City Council. The service currently represents an important component of the council's response to addressing the needs of individuals and families who present as homeless, along with emergency accommodation commissioned through the Supporting People programme.

The Council currently has a framework contract for this service with three housing providers; Cascade Homes, Care Solutions and Safe Haven. Safe Haven has served notice on the contract and will withdraw from any future contractual arrangements with the Council by July

2009. Subsequently the Council has entered into an informal arrangement with Green Investments (Jump) to supply a number of units of temporary accommodation. The current contract expires at the end of March 2009. The Council has commenced a competitive tender project for the procurement of a temporary accommodation service and it is anticipated that this will take up to 12 months. A waiver report was prepared and submitted to Delegated Decision Panel in February to request invocation of Contracts Procedure rule 25.2 to extend the existing contract whilst the competitive tender exercise is completed. However, there was an error in the process, and it has not been possible to seek approval to extend the existing contract before it expires in March by invoking CPR 25.2 as originally intended.

The waiver report therefore requests approval to waive CPR 13 and invoke CPR 31.4 to enter into a 12 month framework contract with Cascade Homes, Care Solutions and Green Investments. The award of a framework contract to these three organisations to supply and manage temporary accommodation constitutes a key decision, and is on the Council's Forward Plan to enable a delegated decision to be made in May 2009.

1. PURPOSE OF THIS REPORT

- 1.1. To approve the award of a framework contract for a period of up to 12 months to Cascade Homes, Care Solutions and Green Investments (Jump), for the provision of a temporary accommodation service commencing May 2009. The term of the contract is twelve months (12). The annual contract value is projected to be £2.6 million over the 12 month contract period. The service will be subjected to competitive tender during the term of the contract period.
- 1.2. It is recognised, in accordance with Contracts' Procedure Rules, that a waiver to contract with three accommodation providers, and to not subject the service to immediate tender, cannot ordinarily be granted. However, it is believed that the circumstances of the contract recommendation represent 'exceptional circumstances', as set out in paragraph 31.4 of Contracts' Procedure Rules. The service is an essential component of the Councils response addressing the needs of homeless households and meeting its statutory obligations under the provisions of Part VII of the Housing Act 1996. The service needs to continue whilst the tender exercise is completed and the award of a 12 month contract will formalise the arrangements with the three providers and ensure they comply with required standards and agreed prices for the delivery of the temporary accommodation service.

2. BACKGROUND

- 2.1. Leeds City Council has a legal duty to secure interim/temporary accommodation to homeless individuals and families who are entitled to the provision of its services under the Housing Act 1996, as amended.
- 2.2. The current contract commenced in June 2006 and was a period of 2 years. The contract was extended for a further 12 months in April 2008. The extension to the contract expires 31st March 2009.
- 2.3. The existing framework contract guarantees a minimum of 30 properties to each of the three accommodation providers. The Council entered into an informal arrangement with Green Investments following the phased withdrawal of properties by Safe Haven. This arrangement now requires formalisation as part of the new contract.

- 2.4. Demand and use of the temporary accommodation service rose to over 400 households accommodated at any one time last September. However, improved assessment and case management of homeless cases has now reduced the number of households in this contracted temporary accommodation service to 192 per night. The government has set all local authorities a target to halve the number of households placed in temporary accommodation by the end of March 2010. The Council is committed to reducing temporary accommodation placements during the term of this contract and will tender for the supply of up to 100 units as part of the new contract.
- 2.5. Improving the standard and quality of temporary accommodation to homeless customers through the private sector is a priority of the Leeds Housing Strategy. Whilst the competitive tender will be a key driver for making these improvements, the interim 12 month contract will ensure key standards are met in relation to the Housing and Health and Safety Rating system (HHSRS) and that the contract price is controlled and affordable to the Council.
- 2.6. The current contract expires at the end of March 2009 and the Council has commenced a competitive tender project for the procurement of a temporary accommodation service. It is anticipated that this will take up to 12 months. A waiver report was prepared and submitted to Delegated Decision Panel in February to request invocation of Contracts Procedure rule 25.2 to extend the existing contract whilst the competitive tender exercise is completed. However, there was an error in the process and it has not been possible to seek approval to extend the existing contract before it expires in March by invoking CPR 25.2 as originally intended.
- 2.7. The award of the contract to each provider will be subject the provider being pre qualified to enter into a contract with the Council, following the completion of a pre qualification questionnaire.

3. REASON FOR CONTRACTS PROCEDURE RULES WAIVER/INVOCATION

- 3.1. The reason for waiving CPR 13 and invoking CPR 31.4 is ensure the Council continues to be able to fulfil its statutory duties to secure temporary accommodation, whilst the competitive tender is carried out.
- 3.2. Given that the delivery of the temporary accommodation service enables the Council to meet its statutory duties, it would not be appropriate to discontinue the service, whilst it is being subject to competitive tender.
- 3.3. It is recognised, in accordance with Contracts' Procedure Rules, that a waiver to contract with Care Solutions, Cascade Homes and Green Investments (Jump), and to not subject the service to immediate tender, cannot ordinarily be granted. However, it is believed that the circumstances of the contract recommendation represent 'exceptional circumstances', as set out in paragraph 31.4 of Contracts' Procedure Rules.

4. CONSEQUENCES IF THE PROPOSED ACTION IS NOT APPROVED

- 4.1. If the proposal to award a 12 month framework contract to Cascade Homes, Care Solutions and Green Investments is not agreed, then the service will discontinue and the Council will be unable to meet its statutory duty to secure temporary accommodation where required under Part VII of the Housing Act 1996 in an affordable manner. The Council will still have a statutory duty to place people in temporary accommodation and without a contract in place, the prices charged to the

Council will escalate, and this is highly likely to be beyond what the Council can afford.

5. ADVERTISING

- 5.1. There is insufficient time to advertise for the award of the 12 month contract to the three providers.
- 5.2. The advertisement of the tender would be undertaken in accordance with Contracts' Procedure Rules and EU regulations.

6. LEGAL IMPLICATIONS

- 6.1. It is recognised, in accordance with Contracts' Procedure Rules, that a waiver to contract with Cascade Homes, Care Solutions and Green Investments and to not subject the service to immediate tender, cannot ordinarily be granted. However, it is believed that the circumstances of the contract recommendation represent 'exceptional circumstances', as set out in paragraph 31.4 of Contracts' Procedure Rules.
- 6.2. The Chief Procurement Officer has advised that it would be reasonable to enter into a framework contract with Cascade Homes, Care Solutions and Green Investments (Jump), to continue the provision of the temporary accommodation service, provided that the Chief Housing Services Officer believes there are compelling reasons to do so.

7. RECOMMENDATION

- 1.1. The Chief Housing Services Officer is recommended to approve the invocation of CPR 31.4 – Waiver of Contract Procedure Rules and also waive CPR 13 – High Value Procurements to enable the award of a framework contract to Cascade Homes, Care Solutions and Green Investments (Jump), for the provision temporary accommodation, commencing May 2009. The term of the contract is 12 months with a projected annual contract value of £ 2.6 million.