



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

TELEPHONE: 020 8464 3333

CONTACT: Keith Pringle

keith.pringle@bromley.gov.uk

DIRECT LINE: 020 8313 4508

FAX: 020 8290 0608

DATE: 25 July 2016

EXECUTIVE

Meeting to be held on Friday 29 July 2016

Please see the attached Part 1 report marked “to follow” on the agenda.

- 3 CONTRACT AWARD FOR TENANCY SUSTAINMENT SERVICES FOR YOUNG PEOPLE (Pages 3 - 8)**

Copies of the documents referred to above can be obtained from
<http://cds.bromley.gov.uk/>

This page is left intentionally blank

Report No.
CS17024

London Borough of Bromley

PART 1 – PUBLIC

Decision Maker: **Executive**

Date: **29th July 2016**

Decision Type: Non-Urgent Executive Key

Title: **CONTRACT AWARD FOR TENANCY SUSTAINMENT SERVICES FOR YOUNG PEOPLE**

Contact Officer: Wendy Norman, Procurement and Contract Compliance Manager
Tel: 020 8313 4212 E-mail: wendy.norman@bromley.gov.uk

Chief Officer: Lesley Moore, Director of Commissioning
Tel: 020 8313 4633 E-mail: Lesley.moore@bromley.gov.uk

Ward: All wards

1. Reason for report

This report is a summary of the Part 2 “Contract Award for Tenancy Sustainment Services for Young People” to be considered at a Special Executive on 29th July 2016.

The report provides an overview of the process for tendering a tenancy sustainment service for young people in accordance with the Public Contract Regulations 2015 and the Council’s financial and contractual requirements.

2. **RECOMMENDATION(S)**

Executive is asked to:

- a) **note the summary when considering the recommendations in the Part 2 report to award the Contract.**

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Children and Young People , Safer Bromley and Supporting Independence:
-

Financial

1. Cost of proposal: Estimated Cost: The Contract will incur a cost of £289,975 per annum
 2. Ongoing costs: Recurring Cost:
 3. Budget head/performance centre: 749 0003462
 4. Total current budget for this head: £1,050,530 per annum
 5. Source of funding: Revenue Support Grant
-

Staff

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: Approximately 0.25 FTE Contract Compliance Officer time to monitor the Contract.
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
 2. Call-in: Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): up to 41 young people being place in supported accommodation, with the potential to deliver floating support on a spot purchase basis when required.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Background:

- 3.1 The Tenancy Sustainment Service for Young People will enable the Council to fulfil its statutory obligations to meet the needs of eligible young people aged 16 plus who are homeless and to assist former Children Looked After with regards to their housing, employment, education and training requirements.
- 3.2 The Service will provide support and accommodation for up to 41 young people within six properties throughout the borough. The support varies between high and low needs with one property exclusively for teenage parents. The Contractor is required to provide support to Young People living in accommodation which the Council has agreed is suitable accommodation. The Service will also provide young people with a flexible Floating Support service which will be purchased as and when required. Responsibility for allocation of the tenancies and the floating support will rest with the Council's Housing Team who will manage the service in consultation with the Leaving Care Team.
- 3.3 The main purpose of the Service is to assist the young people to develop the skills needed to sustain a tenancy and maintain their independence within the community, enabling them to move on to more independent living and prevent homelessness.
- 3.4 The Service is one of a range of accommodation options which are arranged to meet the needs of Care Leavers and Homeless Young People in Bromley. This includes the provision of emergency rooms and mediation services aimed at helping Young People to return to their families and supported lodgings schemes and more intensive supported accommodation. Some of the properties previously used for this contract were withdrawn from use by the Landlords and are no longer available for the scheme. These schemes had historically run with higher void levels because they were not entirely suitable for the client group and were difficult to manage. However the Floating Support service that has been commissioned can be used flexibly to meet the needs of young people who live in any appropriate accommodation setting that has been agreed by the Council.

The Tender Process:

- 3.4 The tender process was undertaken using ProContract, the Council's electronic tendering system and in accordance with the Public Procurement Regulations 2015 and the Council's own financial and procurement requirements. Indications from recent tenders undertaken elsewhere indicated that a number of suppliers would wish to express an interest in providing the Service therefore a two stage open procedure was used.
- 3.5 A total of 22 suppliers expressed an interest in providing the Service with 6 providers submitting compliant bids. Two suppliers that registered an interest 'Opted Out' and 14 others 'Did Not Respond'.
- 3.6 The reasons for 'Opting Out' varied;
- One company cited that they did not have sufficient resources to undertake the contract;
 - One company cited 'Other' reasons.
- 3.7 The Tender evaluation was undertaken in two stages. Officers assessed the Pre-qualification Questionnaire submissions to determine whether the suppliers had the general and technical ability to deliver the service. The Council reserved the right to reject any tender submissions at this stage if they failed to meet a minimum threshold score. On this basis two organisations did not meet the required threshold score leaving only 4 organisations invited to submit at stage 2.

- 3.8 The second stage of the tender process was evaluated on the basis of award criteria questions and tenderers submitted pricing schedules. The tender submissions were evaluated on the basis of 60% finance and 40% quality split. The evaluation of quality was based on the following criteria:

1	Financial Resources & Contract Affordability	5%
2	Operational Competence	20%
3	Customer Care	20%
4	Quality Management	20%
5	Sustainability	20%
6	Health & Safety	15%

- 3.8 The tender prices were evaluated based on the Chartered Institute of Public Finance & Accountancy (CIPFA) Evaluation Model, which calculates an overall mean price value from all the prices received. Individual scores are then allocated for each 1% the bidder's tender value is above or below the mean price.
- 3.9 Only 3 of the 4 suppliers invited at stage 2 submitted a bid, and these were evaluated by a panel of officers from the Council's Housing, Leaving Care and Procurement Teams. Officers have contacted the fourth organisation to establish why they did not submit a bid but have not received a response. Two of the organisations scored equally well throughout their quality assessment but the third organisation failed to meet the required threshold score on some aspects of quality.

Justification for Award:

- 3.10 The result of the evaluation process is shown in the Part 2 report which contains the detailed scoring.
- 3.11 A recommendation to award the Contract for the Provision of Tenancy Sustainment Services for Young People is included within the Part 2 Report.

Ensuring the Contract Successfully Delivers Positive Outcomes for Young People

- 3.12 In order to ensure that the Service delivers the best possible outcomes for young people the contract includes the opportunity for the successful Contractor to collect a small additional 'incentive' fee to reflect achievements of individual young people who have successfully moved on from the Service. The specific outcomes are:
- Supporting a service user to achieve employment and / or qualifications via education or training; **and**
 - Supporting a service user to move on from the Service in a planned way leaving no rent or service charge arrears and is debt free;
 - Supporting a service user with a history of offending to manage their tenancy and leave the scheme in a planned way without re-offending and debt free.

In their tender submissions suppliers indicated that they would utilise any funding received through the incentive payments to enhance their offers around training and development for young people, enabling them purchase equipment for courses or prepare for job interviews.

4. POLICY IMPLICATIONS

National and local policies expect that appropriate accommodation and support is provided for homeless young people and care leavers. These services will be a key to ensuring that the Council fulfils its statutory duties towards young homeless people as well as under 18 care leavers and younger teenage parents

5. FINANCIAL IMPLICATIONS

The financial implications of awarding the Contract are included with the Part 2 Report.

6. LEGAL IMPLICATIONS

- 6.1 This report seeks the approval of the Executive to award a contract for the provision of a tenancy sustainment service for young people in supported living for a period up to 5 years in accordance with Contract Procedure Rule 16.5.
- 6.2 Rule 8 of the Contract Procedure Rules provides that for a contract with a total value of above £500,000 the Council must invite tenders from between 5 and 8 organisations and comply with the Public Contracts Regulations 2015. In this case the report states that 6 organisations were invited to tender.
- 6.3 The Public Contracts Regulations 2015 apply to this contract. The Council has carried out a restricted procedure and complied with these Regulations.
- 6.5 The report author will need to consult with the Legal Department regarding the execution of the contract.

Non-Applicable Sections:	7. PERSONNEL IMPLICATIONS
Background Documents: (Access via Contact Officer)	Report CS14118 "Gateway Report on Tenancy Sustainment for Young People"; Care services PDS on 21 Jan 2015 and Executive on 11 Feb 2015.

This page is left intentionally blank