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London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Care Services Portfolio Holder

Date: **For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Wednesday 4 March 2015**

Decision Type: Non-Urgent Non-Executive Key

Title: **BROMLEY WELFARE FUND/ ESSENTIAL HOUSEHOLD GOODS SERVICE**

Contact Officer: Andrew Scott, Procurement Officer. Tel: 020 8461 7844. Email: andrew.scott@bromley.gov.uk

Chief Officer: Executive Director of Education, Care & Health Services

Ward: (All Wards);

1. Reason for report

This report sets out the results of a tendering process to establish a framework of providers for the provision of essential household items needed to meet the basic requirements of homeless people leaving temporary accommodation and moving into settled accommodation.

2. **RECOMMENDATION(S)**

Subject to the views of this Committee, the Portfolio Holder is asked to agree:

- i. **To appoint the providers listed in paragraph 3.12. of this report onto a Framework for the provision of the Move On Packs – Essential Household Goods Service. The Framework will last for two years from 01 April 2015 with an option to extend by up to a further two years subject to satisfactory performance.**

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council Safer Bromley Supporting Independence
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Financial

1. Cost of proposal: Estimated Cost £200,000p.a.
 2. Ongoing costs: Recurring Cost: £200,000p.a.
 3. Budget head/performance centre: Bromley Welfare Fund
 4. Total current budget for this head: £441,996
 5. Source of funding: remaining government welfare fund grant
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Staff

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours:
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Legal

1. Legal Requirement: Non-Statutory - Government Guidance None:
 2. Call-in: Applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Approximately 6,000 households approach each year at risk of homelessness There are currently approximately 1000 households placed in temporary accommodation to whom the Council has a statutory rehousing duty under the homeless legislation.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1. In July 2014 the Resources Portfolio Holder approved the adoption of a 'white goods and furniture' welfare scheme from 2015/16. The scheme is set to replace The Bromley Welfare Fund following the Government decision to withdraw ongoing programme funding. The Bromley Welfare Fund was introduced as a result of the abolition from April 2013 of the central government administered Community Care Grants and Crisis Loans for general living expenses. The fund has primarily been used to award furniture and white goods to people leaving temporary accommodation or an institution
- 3.2. Members agreed that, given the Government reduction in funds, the new scheme would be restricted both in terms of eligibility criteria and goods available (cookers, fridges, freezers and beds) which have been identified as the minimum items required in order for the Council to meet its duty to provide suitable settled accommodation for statutory homeless households.
- 3.3. The service was tendered in accordance with EU Regulations and the Council's financial and contractual requirements. The Invitation To Tender (ITT) invited bids to join a framework consisting of two separate Lots:
 - Lot 1: Supply and fit of specified white goods
 - Lot 2: Supply of specified beds

Tenderers were invited to bid for either one, or both Lots as they saw fit.

- 3.4. Orders will be called off from the framework on a per order basis, by approaching the successful tenderers accordingly, in order of the most economically advantageous cost per individual order.
- 3.5. The tender was undertaken using ProContract, the Council's electronic tendering system. 29 expressions of interest were received from which eight providers submitted bids.

3.6. EVALUATION

The tender evaluation was undertaken in two stages:

- Stage 1: Pre-qualification questionnaire
 - Stage 2: Financial and Quality evaluation
- 3.7. Officers assessed stage 1 submissions to determine whether the tenderers had the general and technical resources and ability to deliver the services. The Council reserved the right to reject a submission at Stage 1 if it failed to meet a minimum threshold score for any of the technical questions and on that basis two tenders were rejected.
 - 3.8. Following Stage 1, six tenderers were shortlisted for Stage 2 consisting of five submissions for Lot 1 and four for Lot 2. Evaluations were undertaken by a panel of Council officers, based on a 60% finance and 40% quality evaluation split.
 - 3.9. The quality evaluation for both lots focused on the following key areas:
 - Ability to deliver within given timescales
 - Quality assurance
 - Consistency of service
 - Social value
 - 3.10. The Council again reserved the right to reject a submission at Stage 2 if it failed to meet a minimum threshold score for any of the quality questions.

- 3.11. On review of the rates submitted by tenderers for Lot 2 officers found that that whilst three providers met the quality requirements, only one tenderer offered sufficient value for money based on a comparison with benchmarked costings.

3.12. FRAMEWORK APPOINTMENT RECOMMENDATIONS

Following the completion of the Stage 2 evaluation, officers recommend the following providers be appointed to the Framework.

Lot 1:

- John Gillman & Sons (Electrical) Ltd (Trading as Domestic Appliance Distributors)
- The Furnishing Service Limited
- Louis Sorzano (Trading as BFS Interiors)

Lot 2:

- The Furnishing Service Limited

- 3.13. Whilst a sole provider for Lot 2 limits options to ensure the smooth delivery of the service, the Council is not bound solely to the use of the Framework and will be able to go back out to the market under a separate tendering exercise if required.

4. POLICY IMPLICATIONS

- a. The objective of this service is compliant with the statutory framework within which the Council's housing function must operate and assist in achieving the targets set out within Building a Better Bromley.
- b. The above actions are in line with the agreed policies in relation to homeless and associated strategies. Any updated actions or proposals for policy review required will be reported and considered by Members as required.

5. FINANCIAL IMPLICATIONS

- 5.1. The use of a framework to meet the requirements of the service allows for the greatest level of flexibility in expenditure because it makes no guarantees to successful tenderers regarding the volume of service activity. This will enable service levels to be increased or reduced in line with statutory requirements, budget pressures and Member priorities.
- 5.2. Annual expenditure under the new scheme has been estimated at £200,000 per annum which will initially be funded from an underspend in the 2013/14 Bromley Welfare Fund programme funding (£441,996), and any accrued underspend in 2014/15. The costs will be contained to essential spend on meeting the Council's housing duties.
- 5.3. The provision of essential living items assists in ensuring homeless households are able to move into settled accommodation as quickly as possible thus avoiding extended stays in costly forms of temporary accommodation.

6. LEGAL IMPLICATIONS

- 6.1. A contract notice was placed in OJEU and the tender process was run in accordance with the Public Contracts Regulations 2006.
- 6.2. The use of framework agreements is recognised at Contract Procedure Rule 7.3 Members are asked to note that the establishment of such a framework does not guarantee that any particular

provider will be willing or able to fulfil a specific order when requested at a particular time, but it gives framework providers the opportunity to do so.

Non-Applicable Sections:	Personnel
Background Documents: (Access via Contact Officer)	Report No. FSD14046 – Bromley Welfare Fund