

# Brighton & Hove City Council

## Housing & New Homes Committee

## Agenda Item 11

**Subject:** Rough Sleeping & Single Homeless Services Commissioning

**Date of meeting:** 21<sup>st</sup> June 2023

**Report of:** Executive Director Housing, Neighbourhoods and Communities

**Contact Officer:** Name: Adam Salmon  
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**Ward(s) affected:** All

### For general release

#### 1. Purpose of the report and policy context

- 1.1 Twenty of the council's core funded commissioned rough sleeping and single homeless services, listed in Appendix 1, are due for recommissioning.
- 1.2 This report lays out a recommended process for the commissioning of the services and requests permission to initiate their procurement with an intended start date for their delivery of the beginning of April 2024.

#### 2. Recommendations

Housing Committee agree to:

- 2.1 Delegate authority to the Executive Director of Housing, Neighbourhoods and Communities to take all steps necessary to procure and award contracts for the rough sleeping and single homeless services listed in Appendix 1.
- 2.2 A Housing Committee Member workshop will take place prior to the stage 2 tender exercise. This will provide detail of the needs analysis, how contracts will be specified in order to drive better performance, and actions available to the local authority to improve performance (if necessary).

#### 3. Context and background information

- 3.1 These core funded services that constitute BHCC's Rough Sleeper and Single Homeless Pathway were last recommissioned in 2017 and 2018. The services covered in this report are part of a wider range of commissioned and grant funded services delivering the single homeless and rough sleeper pathway.
- 3.2 There are currently 20 services commissioned (see Appendix 1). Part of the commissioning exercise will determine what services will continue, what the expectations will be, and any new services required to meet these aims. This will be needs based, and where available, supported by evidence.
- 3.3 The current total contract values is £3,196,464 per annum. It is important to note that these contract values were last re-evaluated in 2017-2018.
- 3.4 The commissioning principles will be shaped by:

- 3.4.1 Delivering the aims and principles of Brighton & Hove City Council's Homelessness and Rough Sleeping Strategy 2020-25, and that instances of rough sleeping are prevented, rare and non-recurrent.
- 3.4.2 Future commissioning being based upon evidenced need, so that accommodation and support for people sleeping rough and/or single homeless is focused on those in the greatest need, or likely to suffer the greatest detriment.
- 3.4.3 Performance measures and/or incentives and/or sanctions are introduced into future contracts to address the issue slow move-on through the pathway and silt-up of commissioned accommodation.
- 3.4.4 Performance measures and/or incentives and/or sanctions are introduced into future contracts to reduce unplanned evictions.
- 3.4.5 Accommodation models should be reflective of what is likely to achieve the best outcomes and of appropriate standards.
- 3.4.6 Working collaboratively in collecting and reporting data, demonstrating effectiveness in preventing homelessness, relieving homelessness and ensuring instances of rough sleeping are brief and non-reoccurring.
- 3.4.7 Where feasible and appropriate, there should be a rationalisation of the number of contracts issued, and variation between contracts.

#### **4. Analysis and consideration of alternative options**

- 4.1 The aim of this procurement exercise is to recommission the services of the Rough Sleeper and Single Homeless Pathway, in a manner that ensures quality of provision and best value, while recognising that in some instances circumstances dictate that this can't be achieved by a simple competitive tendering process.
- 4.2 To achieve this, it is recommended a two-stage procurement process is adopted, where the initial stage is used to identify if any services can only be provided by a single provider. Where this is the case, we can directly negotiate with this single provider provided we ensure compliance with the Procurement Regulations. Where the initial stage identifies the potential for multiple providers a competitive tender process will be undertaken. There are no suitable Framework Agreements for this procurement.

#### **5. Procurement and Route to Market**

- 5.1 The proposed route to market is procurement compliant. An initial exercise will establish services which can only be delivered by a single provider. Where this is the case, lots will be procured via direct negotiation. Where lots can be delivered by more than one provider, these will then be subject to a competitive tender.
- 5.2 This will allow us to test the open market for responses without giving the full criteria to potential bidders and the resources required to evaluate bids before knowing if there are potential multiple bidders, enabling the maximum number of potential bidders to respond.

- 5.3 We are currently using needs evidence to formulate specification for the services, batched into 15 proposed lots. Specifications will be designed taking into account the commissioning principles set out above (para 3.4) and verification, including referencing, background experience and (where possible) performance against other contracts will be taken into account.
- 5.4 As well as designing clear specifications, which feed into robust performance measures, the success (or failure) of commissioned services will largely be determined by how the contracts are monitored. With respect to this, Housing Needs & Supply have increased capacity in order to improve the service delivered through commissioned services and hold providers to account.

## 6. Milestones and Indicative Timescales

Milestone	Indicative Timescale
Finalise contract budgets and specifications	July 2023
Commence Stage 1 Tender Exercise	July 2023
Conclude Stage 1 Tender Exercise	September 2023
Housing Committee Member Workshop	September 2023
Commence Stage 2 Competitive Tender Process	September 2023
Conclude Stage 2 Competitive Tender Process	November 2023
Conclude Stage 2 Competitive Tender Evaluation	December 2023
Award announcement	January 2024
Mobilise new contracts	April 2024

Table 1: Milestones and Indicative Timelines

- 6.1 Table 1 (above) provides details of key milestones and indicative timelines. A Housing Committee Member workshop is planned prior to the stage 2 tender exercise. This will provide detail the needs analysis, how contracts will be specified in order to drive better performance, and actions available to the local authority to improve performance (if necessary).

## 7. Community engagement and consultation

- 7.1 Two pre-consultation events have been undertaken, in partnership with Just Life, and incorporating a broad range of Brighton and Hove community and voluntary sector organisations. Two further consultation events have been undertaken with current key stakeholders and providers of the Rough Sleeping and Single Homeless Pathway.
- 7.2 At all four events, partners were consulted on the presenting challenges to the Rough Sleeper and Single Homeless pathway to be addressed in this commissioning round and the proposed procurement methodology and timescales.
- 7.3 Discussion has also taken place with Common Ambition, with regard to how best utilise their lived experience. It was agreed this would be most beneficial when determining the mobilization of the new contracts and to build into the future operation of the pathway more regular and longitudinal engagement and consultation with service users. Common Ambition agreed to support this consultation.

## **8 Conclusion**

- 8.1 A compliant procurement exercise will take place between July-December 2023. Where this exercise identifies a single provider for a lot, this lot is procured by direct negotiation with that provider.
- 8.2 Lots for which stage one identifies multiple potential providers are put out to competitive tender. A Housing Committee Member Workshop, in September, will provide further details of specifications, performance monitoring and contract management, prior to invitations to tender being published. New contracts would be agreed at the end of January 2024, with these contracts being mobilised from the beginning of April 2024.

## **9. Financial implications**

- 9.1 The current cost of the services included in this procurement is £3.196m per year. The cost of these services has largely been fixed for 5 years and therefore it is anticipated that costs could increase substantially from 1/4/2024 as a consequence of the current high level of inflation in the economy.
- 9.2 The budget for these services is included within the Housing General Fund Service. Although council budgets have been subject to modest year on year increases over the last 5 years, current budget levels are unlikely to be sufficient to cover all of the new increased costs. Once new contract prices are established, any costs over budget levels set for 2024/25 will either require additional service pressure funding, as part of the budget setting process for 2024/25, or there will need to be a prioritisation of the services commissioned to allow the costs to be managed within budget.

Name of finance officer consulted: Monica Brooks; Date consulted: 08/06/2023

## **10. Legal implications**

- 10.1 The Council is required to comply with the Public Contracts Regulations 2015 in relation to the procurement and award of contracts above the relevant financial thresholds for services. The procurement process must be structured in a way so that it is at least sufficient to ensure compliance with the principles of transparency and equal treatment set out in the Regulations.

Name of lawyer consulted: Wendy McRae-Smith; Date consulted: 09/06/23

## **11. Equalities implications**

- 11.1 The procurement process documents will include questions that ensure interested parties address all equalities considerations, both organisationally and through evaluation of how they will engage with service users to ensure they give consideration to the diversity and specific diversity related needs of the client group.
- 11.2 A full Equalities Impact Assessment will be conducted on these recommissioning proposals for this recommissioning once they have been finalised, with relevant findings and mitigations being presented to the Housing Committee Member Workshop in September.

## **12. Sustainability implications**

- 12.1 Sustainability criteria for this recommissioning will be included in the procurement requirements, including the council's target of Carbon Net Zero by 2030.

## **13. Social Value and procurement implications**

- 13.1 The majority of these services are contributors to the key areas of the Social Value framework outcomes and therefore the standard model of 10% of the quality evaluation will not be used in evaluating their responses. All of these services are supported by voluntary staff and voluntary overtime. We will request the number of voluntary hours committed and worked by staff supporting these services and report on these as a key performance indicator for Social Value against the providers delivery of the contract.

Where and the procurement exercise identifies only a single candidate, the suppliers social value commitment will form part of the contract negotiation which may include the commitments of voluntary staff / hours of paid staff time.

## **14 Crime and Disorder Implications**

- 14.1 None arising directly from this report.

## **15 Public Health Implications**

- 15.1 None arising directly from this report.

## **Supporting Documentation**

### **1. Appendices**

1. Services to be recommissioned.

