



Key Decision Report of Director of Adult Social Services

Key Decision	2 August 2021	Ward(s): All
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Delete as appropriate	Exempt	Non-exempt
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SUBJECT: Procurement Strategy for an Assessment and Progression Support Service for Single Homeless People Age 16-25

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of an Assessment and Progression Support Service for Single Homeless People Age 16-25 in accordance with Rule 2.7 of the Council's Procurement Rules.
- 1.2 Assessment and Progression Support Service for Single Homeless People refers to accommodation and support for young homeless people who are aged 16-21 and assessed as vulnerable by the Children in Need service. This includes Children Looked After aged 16-17; Care Leavers aged 18-25; and homeless young people aged 16-21.

This service will form part of a wider Young People's Pathway of supported accommodation and which is currently a mixture of Assessment, Assessment and Progression, and Progression sites:

- Assessment services provide intensive, 24-hour support that assess the support needs and wishes of young people accessing the pathway, usually for the first time.
- Progression services comprise of a mixture of 24-hour and visiting support, depending on needs of the young people, and aims to work with them to prepare for independent living.

For the purposes of this procurement, we are seeking to commission an Assessment and Progression Support Service that will provide intensive 24-hour support in order to assess the housing and support needs of young people and move them onto appropriate housing.

2. Recommendation

- 2.1 To approve the procurement strategy for an Assessment and Progression Support Service for Single Homeless People Age 16-25 as outlined in this report.

3. Date the decision is to be taken:

2 August 2021

4. Background

- 4.1 An Assessment Centre Service was originally commissioned at the site subject to this procurement exercise in 2013 to meet priorities set out in the Supporting People Strategy 2010-15, Homelessness Strategy (2011-14) and in order to meet Children's Services responsibilities to homeless 16/17 year olds.

The current service was commissioned to meet the growing numbers of increasingly vulnerable single young people who were approaching the Council for housing assistance, and the subsequent identified need for temporary accommodation with assessment and support in the borough.

The service intended to assess young people with a target length of stay of six months and then move on to appropriate supported housing within the Young People's Pathway.

A review of the service took place between January-March 2021 and involved colleagues from Adults and Children's Commissioning, professional stakeholders from Children's Social Care and Commissioners from neighbouring boroughs in order to inform our commissioning intentions.

We also commissioned the Children's Active Inclusion Service (CAIS) to conduct a peer-to-peer survey with service users to better understand residents' experience of the service, as part of the wider Young Commissioners Project.

The review and peer-to-peer survey revealed that although the current offer of an Assessment Centre is performing well and well thought of by residents and professionals alike, there are areas where it could be a more effective part of the pathway and changes to the specification could achieve this.

These include amending the service's configuration from an Assessment scheme to an Assessment and Progression scheme. While the service will retain its 24 hour staffing, this change will mean that the service will be utilised by a wider range of residents, including residents who move to Barnsbury Park from other supported housing schemes. This change will also remove the six month timescale for interventions.

In addition, we will include requirements for the service to be provided in a trauma- and psychologically-informed way, utilising best practice approaches for this service area.

- 4.2 The proposed new service will provide 24-hour accommodation-based support for Young People age 16-25. Young people referred to this service will have a range of support needs, including but not limited to; gang affiliation, abuse and neglect, educational needs, mental health issues, learning difficulties and or disabilities, drug misuse and offending.

Young people accepted into the service will be supported to prepare for independent living by giving them the resources to improve their independent living skills in areas such as education, employment and training; setting up and payment of utilities; cooking; CV writing; and attendance at appointments.

For young people this will play a suitable and complimentary role to other services that form the Young People's Pathway. This will slightly change its use from purely being an assessment provision to one that supports young people further along in their journey into independent living.

Prior to publishing the tender, we intend to hold a market engagement session with providers and other stakeholders and meet with service users to co-produce the service specification.

- 4.3 The service will be funded by the Adult Social Care Budget.

The estimated budget for this service will be £796,392 over a maximum of forty eight months; this is in line with the current budget. The contract will be structured as 24 months + 12 months + 12 months with an annual budget of £199,098.

Budget efficiencies have been considered during this procurement process. However, if there is a reduction in the budget, it will impact on the ability of the service to provide a quality, 24 hour staffed service, impact staff retention, and ultimately reduce the accommodation capacity we have in the borough for vulnerable young people, many of whom we have a statutory duty to accommodate.

We expect the service to work in a similar manner, with the same staffing compliment as exists now. However, the service will be expected to work with young people at different points of their journey to independent accommodation therefore we feel that the service can deliver within the same budget.

Benchmarking of this service's budget with other similar services in the borough and other boroughs has shown that the service's current budget is commensurate with the funding required to provide a 24 hour staffed service. A reduction in budget could have detrimental implications on providers' abilities to provide 24 hour staffing at the service, creating risks to service users.

The service has received only one uplift since the start of the contract in 2013. As we intend to maintain current budget levels and are not proposing inflation related increases to the budget, this procurement represents cost avoidance related savings for the Council.

In addition, the Council generated £110,000 in annual budget savings in this service area in 2019/20.

Childrens Social Care has committed half a million pounds of annual investment in to the expansion of the wider young people's pathway of supported housing services, for two years. Despite this commitment the placement budget has reached an overspend of £1.3million against Independent Living placements.

Maintaining capacity within block contracted provision is therefore essential to reducing and mitigating pressures on the placement budget, and continued reliance on spot purchased arrangements.

The care leaving population is increasing, and the likely impact of the pandemic for non-statutory young people is not yet known. This procurement will support the prevention of homelessness for both statutory and non-statutory young people as well as reduce the current budget pressure in children's services.

- 4.4 The contract is due to be advertised on Find a Tender Service in September 2021 as the value is above the threshold of £663,540 for social and other specific services, with approval to award the contract scheduled for December 2021.

The current contract expires on 31 March 2022 meaning that the new contract must be in place for a start date of 1 April 2022.

We have thus far consulted with commissioners in other neighbouring boroughs, several Children's Services teams, young people and providers, to understand a range of views about the service and how Islington benchmarks against neighbouring authorities.

4.5

	Options	Benefits	Drawbacks
1	Re-procure the service in its current form (assessment only)	Consistency for service and commissioners	A service model that is not fit for purpose as the current assessment centre does not provide the required throughput expected from such a service. Referrals to the service would be restricted if it was assessment only.
2	Commission a new service as 24-hour generic supported housing with Assessment and Progression	The service could accommodate more young people as the new service will have the ability to move young people through pathway in a more timely way.	We would lose a dedicated assessment centre, however the service would still be able to assess residents. A mixed model allowing for assessment as well as progression through the Young People's Pathway would enable greater flexibility of referrals.
3	In-sourcing	This could introduce a seamless transition between the placement teams and service delivery if the Council held responsibility for both.	<p>The Council lacks experience in directly providing these services.</p> <p>The local provider market for these services is well developed and partners work effectively with the Council. These external providers are more experienced and agile in providing this type of service, and are able to provide significant value for money.</p> <p>In-sourcing this service would create significant budgetary pressures, due to increased staffing costs and the implications of TUPE.</p>
4	Increase the budget to provide more support and placements	<p>This could generate savings with less spot purchases</p> <p>A larger number of vulnerable young people will be supported by the borough</p>	There is no further funding available

5	Reduce the budget in order to make savings	Savings generated for Adult Social Care.	<p>High risk of young people's needs not being met</p> <p>Risk of not fulfilling the Council's statutory duties</p> <p>Risk that General Fund spend may increase because we would have to rely increasingly on spot purchasing</p>
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After conducting the aforementioned review, we have concluded that **option two** is the preferred route.

4.6 Social value will form a key part of this tender. In addition to the economic benefits of an Islington based service, social benefits will be realised by the following:

- The service will be encouraged to be part of the local community and Young People will be supported to use local health and social services.
- The service will support Young People to establish and maintain links with friends and family in the borough
- The service will support Young People to access local community, education and employment services

Social value will be intrinsic in several quality-based questions within the tender. Providers will be asked to outline their organisation's commitment to social value, and how this will be reflected in the delivery of the service in relation to:

- Environmental considerations, reducing environmental impact e.g. journey reduction; environmentally friendly modes of transport (cycle schemes); reduction and management of all non-recyclable waste.
- Promoting healthy workplaces.
- Promoting and encouraging use of the local supply chain.
- Economic considerations for example the contribution to developing skills and tackling unemployment amongst Islington residents including excluded communities.

In order to derive the maximum social benefit from the contract, bidders will be asked to set out in response to each question what they can offer e.g. apprenticeships, links with other providers and provisions, opportunities for further employment opportunities. We will also add value to the core contract by encouraging the promotion of local employment via iWork and the jobs portal, and by asking providers to participate in Council-led programmes such as the 100 Hours World of Work.

Providers will also be encouraged to consider peer support training and direct or seconded employment of peer workers.

London Living Wage will be a condition of this contract.

TUPE will apply to this contract.

4.7 Evaluation

The tender will be conducted in one stage, known as the Open Procedure, as the tender is 'open' to all organisations who express an interest. The Open Procedure includes minimum requirements, which organisations must meet before the rest of their tender is evaluated.

Bids will be assessed on 70% quality and 30% cost as outlined below.

Quality questions will indicatively comprise of proposals on the following:

Award criteria	Total
Cost	30%
Quality – made up of method statement questions:	70%
Safeguarding and Minimising Risk	20%
Social Value	20%
Co-Production	10%
Implementation and Mobilisation	10%
Partnership Working	10%
Total	100%

Evaluation will be a joint collaboration with Children's Services and we will involve service users in the tender process who will be allocated a specific question to evaluate.

4.8 Business Risks

Risks attached to this procurement are:

Risks	Mitigation
Providers not applying for the tender	We will carry out a market engagement exercise with potential providers to discuss the new service and have further events led by service users to ensure that the service spec is co-produced therefore making the tender viable and attractive to potential applicants
TUPE Implications	TUPE will apply to this procurement so we will factor in adequate time in the mobilisation period
The successful provider being unable to have access to a property	We have an agreement from the current Landlord that the property currently used for this service will be able to be used by any Provider who is successful in the tender

4.9 The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will

be required to complete an anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.

4.10 The following relevant information is required to be specifically approved in accordance with rule 2.8 of the Procurement Rules:

Relevant information	Information/section in report
1 Nature of the service	24 Hour supported accommodation for young people. See paragraph 4.1
2 Estimated value	The estimated value per year is £199,098 The agreement is proposed to run for a period of 24 months + 12 months + 12 months See paragraph 4.3
3 Timetable	Advert: September 2021 Award: December 2021 Service start: April 2022 See paragraph 4.4
4 Options appraisal for tender procedure including consideration of collaboration opportunities	See paragraph 4.5
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	Social value will be a fundamental part of the procurement and will score 20% within the quality criteria. LLW will also be a condition of the contract. We expect that TUPE will apply. See paragraph 4.6
6 Award criteria	Bids will assessed on 70% quality and 30% cost See paragraph 4.7
7 Any business risks associated with entering the contract	See paragraph 4.8
8 Any other relevant financial, legal or other considerations.	See paragraphs 5.1 and 5.2

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5. Implications

5.1 Financial implications:

The gross budget for Housing Related Support for Young People for 2021-22 is £1,927,300. The current annual budget of the Single Homeless Project contract is £199,098.

It is expected this procurement will be contained within the £199,098 annual budget (£796,392 over a maximum of 48 months) and therefore will not create a budgetary pressure on the Adult Social Care budget.

However, if any additional cost arise from this procurement funding must be identified within the Adult Social Services Budget.

Payment of the London Living Wage is a requirement of the contract and will not result in any additional costs.

Implications provided by: Zoe Henney (Principal Accountant) 17-06-2021

5.2 Legal Implications:

The services being sought are to procure a service provider who will run an Assessment and Progression Support Service for Single Homeless People Aged 16-25. The Homelessness Reduction Act 2017 places various duties on the council in relation to people threatened with homelessness. In addition the council has power to provide housing support services for young homeless people under the Housing Act 1996, Parts 6 and 7 and the Children Act 1989, sections 17 and 20. The council may enter into contracts for such services under section 1 of the Local Government (Contracts) Act 1997. Corporate Directors have authority to approve procurement strategies in relation to contracts for using revenue money of up to £2,000,000 of Islington Council spend (Procurement Rule 18.1.1)

The services being procured are subject to the light touch regime set out in Regulations 74 to 77 of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of this light touch regime is currently £663,540.00. The value of the proposed contract is above this threshold. It will therefore need to be advertised on the Find a Tender Service (FTS). There are no prescribed procurement processes under the light touch regime. Therefore the council may use its discretion as to how it conducts the procurement process provided that it: discharges its duty to comply with the Treaty principles of equal treatment, non-discrimination and fair competition; conducts the procurement in conformance with the information that it provides on the FTS advert; and ensures that the time limits that it imposes on suppliers, such as for responding to adverts is reasonable and proportionate. Following the procurement a contract award notice is required to be published on FTS.

In compliance with the requirements of the light touch regime in the Regulations and the council's Procurement Rules the proposal outlined in the report is to advertise a call for competition on FTS and procure the service using a competitive tender process. On

completion of the procurement the contract may be awarded as required to the highest scoring tenderer subject to the tender providing value for money for the council.

5.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:

The main environmental impact from this procurement will be the use of the building by the service provider. These will include energy and water use, consumption of materials, and the generation of waste, including clinical waste, all of which have potential carbon emissions. There will also be transport-related impacts from staff travelling to work and from visits from potential referrers and service users.

These can be mitigated by contractual requirements on aspects such as energy/water efficiency of the buildings and waste segregation within them.

5.4 Resident Impact Assessment:

The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment was completed on 27 April 2021. The complete Resident Impact Assessment is appended.

6. Reasons for the decision:

- 6.1 Service analysis and conversations with stakeholders have substantiated the need to slightly re-design and re-configure this service during its re-procurement, from a purely Assessment provision to an Assessment and Progression provision.

7. Record of the decision:

- 7.1 I have today decided to take the decision set out in section 2 of this report for the reasons set out above.

Signed by:



Interim Director of Adult Social Care
Transformation

Date 2 August 2021

Appendices

- Resident Impact Assessment

Report Author: Jane Watson
Tel: 0207 527 4195
Email:jane.watson@islington.gov.uk

Financial Implications Author: Zoe Henney
Tel: 0207 527 3751
Email:zoe.henney@islington.gov.uk

Legal Implications Author: Mark Ferguson
Tel: 0207 527 3099
Email:mark.ferguson@islington.gov.uk