

LONDON BOROUGH OF CROYDON

To: Croydon Council website
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STATEMENT OF EXECUTIVE DECISIONS MADE BY THE CABINET MEMBER FOR FAMILIES, HEALTH AND SOCIAL CARE AND ON 20 JUNE 2017

This statement is produced in accordance with Regulation 13 of the Local Authorities (Executive Arrangements) Meetings and Access to Information) (England) Regulations 2012.

The following apply to the decisions listed below:

Reasons for these decisions: are contained in the **attached** Part A report

Other options considered and rejected: are contained in the **attached** Part A report

Details of conflicts of Interest declared by the Cabinet Member: none

Note of dispensation granted by the head of paid service in relation to a declared conflict of interest by that Member: none

The Leader of the Council has delegated to the Cabinet Member the power to make the executive decisions set out below:

CABINET MEMBER'S DECISION REFERENCE NO. 2317FHSC

**Decision title: Wellington House Support Worker – Contract Extension
(Croydon Reach Rough Sleepers' Support Service)**

Having carefully read and considered the Part A report and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the report, the Cabinet Member for Families, Health and Social Care in consultation with the Cabinet Member for Finance and Treasury

RESOLVED to approve:

1. The use of Regulations 18 of the Council's Tenders and Contracts Regulations for the reasons set out in the report;
2. The direct award of a contract for Croydon Reach Rough Sleepers Support Service for the Wellington House Outreach Support Worker to Thames Reach HA Ltd for a term of six (6) months from 1 July 2017-31 December 2017 at an additional value of £18,753; and
3. The direct award of a contract for the Outreach & Resettlement Service including the winter shelter on call service to Thames Reach Ltd for a period

of eight (8) months from 1st May 2017 until 31st December 2017 up to a maximum value of £34,357.

Notice date: 23 June 2017

For General Release

REPORT TO:	Cllr Louisa Woodley Cabinet Member for Families, Health & Social Care
AGENDA ITEM:	Not applicable – this is a public background paper to the Investing in our Borough item – Cabinet meeting 19/06/17
SUBJECT:	Wellington House Support Worker – Contract Extension (Croydon Reach Rough Sleepers’ Support Service)
LEAD OFFICER:	Mark Fowler, Director of Gateway & Welfare People Department
CABINET MEMBER:	Cllr Louisa Woodley Cabinet Member for Families, Health & Social Care
WARDS:	ALL

CORPORATE PRIORITY/POLICY CONTEXT

Housing Gateway support services play a significant role in relation to the following priorities of the Independence Strategy.

Priority 1 – Empower individuals and communities to be better able to take more responsibility for themselves and each other.

Priority 2 – Enable residents to make informed choices about how to meet their needs, and how to live healthy lives, through the provision of high quality information, advice and guidance.

The Croydon Reach Rough Sleepers’ Support Service provides four services:

Firstly an outreach service that goes out onto the street to contact, verify, assess, and arrange placement of rough sleepers and to support while they remain on the streets.

Secondly, a Wellington House outreach support worker provides in-reach support to former rough sleepers accommodated in the Wellington House 100 bed short-stay hostel, pending a vacancy in supported accommodation. The support worker provides income maximization support, tenancy sustainment, preparation for and, support with move-on, and links into appropriate agencies to prevent a return to rough sleeping.

Thirdly, a resettlement service, supporting rough sleepers to move onto supported housing or onto the social and private rented sector, working with chaotic service users who may not be engaging with rough sleepers to engage them with services and settle into longer term accommodation.

Finally, an on-call service that provides overnight on call support to a winter night shelter provided by a coalition of churches.

The Care Act 2014 set out the responsibilities of local authorities to ensure that people have access to a wider range of services to improve individuals’ wellbeing and give them more control and personal choice over their care. In addition to this, Croydon’s Joint Strategic Needs Assessment and the Opportunity & Fairness Commission report

clearly set out priorities to support people to live independently within their community, promote social inclusion and support residents towards better times. Commissioning these services will support the Council to meet the requirements set out in the Act whilst supporting our own corporate priorities.

AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS:

This service forms an integral part of the council's commissioned pathway from the streets for rough sleepers.

The Community Strategy is the overarching strategy for the borough. It sets our overall Strategic direction, the outcomes and priorities we will focus on.

- a place of opportunity for everyone through better education, health promotion, supporting independence and resilience, and tackling poverty deprivation and homelessness
- a place with a vibrant and connected community and voluntary sector through enabling communities to connect, collaborate and take responsibility where they see a need and have the capacity and commitment to provide for it.

FINANCIAL IMPACT:

Directly awarding a contract for the Croydon Reach Rough Sleepers' Support Service for rough sleepers support worker for a term of six (6) months and directly awarding a contract for the Outreach and Settlement Service for a period of eight (8) months to Thames Reach HA Ltd at a total cost of £53,110.

KEY DECISION REFERENCE NO: This is not a key decision

The Leader of the Council has delegated to the Cabinet Member the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

The Cabinet Member for Families, Health & Social Care in consultation with the Cabinet Member for Finance and Treasury is recommended to approve:

1. The use of Regulations 18 of the Council's Tenders and Contracts Regulations for the reasons set out in this report;
2. The direct award of a contract for Croydon Reach Rough Sleepers Support Service for the Wellington House Outreach Support Worker to Thames Reach HA Ltd for a term of six (6) months from 1 July 2017-31 December 2017 at an additional value of £18,753; and
3. The direct award of a contract for the Outreach & Resettlement Service including the winter shelter on call service to Thames Reach Ltd for a period of eight (8) months from 1st May 2017 until 31st December 2017 up to a maximum value of £34,357.

The additional contract values of the above amounts to £53,110, resulting in the total contract values to date, with Thames Reach Ltd being £1,229,021.

2. EXECUTIVE SUMMARY

- 2.1 As per the recommendations above, it is proposed to directly award contracts with Thames Reach HA Ltd in respect of the Wellington House Outreach Support Worker Service and Outreach & Resettlement Service and the on-call service beyond the winter months.
- 2.2 **Wellington House Outreach Support Worker:** The support worker service was included in the Rough Sleepers' Support Service contract by way of a variation in 2014. The Support Worker service is due to expire on 30th June 2017 which will result in a gap in service provision and will mean that the service is not aligned with the Rough Sleepers' Support Service which, is due to expire on 31st December 2017.
- 2.3 In order to secure the immediate continuity of the service a direct award of a contract for the support worker with Thames Reach HA Ltd for a period of six (6) months. This award of the support worker service will enable the continuity of service until 31st December 2017 when the overarching Rough Sleepers' Support Service will be recommissioned.
- 2.4 The funding for the extension of the Wellington House Outreach Support Worker can be provided from existing budgets.
- 2.5 **Outreach Service Enhancement:** It is also proposed to directly award a contract for the service provision of the Outreach Resettlement and Winter Shelter on call Service with Thames Reach HA Ltd for a period of 8 months from 1st May 17 until 31st December 2017. This would allow the service, as a whole, to be realigned and allow the Council to re-procure the complete service accordingly.
- 2.6 Funding for this contract award has been secured from the Department for Communities and Local Government via a bid The Rough Sleeping Prevention Grant. The bid was for the creation of an all year shelter and a pathway from the streets. Funding was secured for a two (2) year period in 2017/18 and 2018/19.
- 2.7 This contract award with Thames Reach HA Ltd will ensure a clear single provider approach and pathway for rough sleeping clients. It would be counter-productive to have two suppliers providing the same service.
- 2.8 Prior to the expiry of the Rough Sleepers' Support Service in December 2017 these services will be re commissioned via a mini competition from the Integrated Framework Agreement. The new specification will make provision for the Wellington House support worker, outreach, resettlement and an on-call service. It will also make provision for the modified grant funded outreach and on-call service to be stepped down after a period of 18 months when the remaining grant funding expires on 31st March 2019.
- 2.9 As a result of the above, a number of options have been considered to ensure the stability and continuity of the existing Rough Sleeper Support Services,

Wellington House Support Worker and the grant funded modification of the Outreach and On-Call Service. These are set out below.

- 2.10 Ultimately, it is recommended that to ensure continuity and delivery of the services:
- a. authority is given to directly award a contract for a period of six (6) months for the Wellington House Support Worker service to Thames Reach HA Ltd;
 - b. authority is also given to directly award a contract for a period of eight (8) months for the outreach and on-call services to Thames Reach HA Ltd.

These direct awards will be based upon the original specifications and terms and conditions of the current contracts held with Thames Reach HA Ltd.

- 2.11 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
13 th April 2017	CCB1227/17-18

3. DETAIL

- 3.1 The Rough Sleeper Support Service commenced on 1st January 2013 for a term of 3 years plus 2 years extension (5 years in total). All permissible extensions have been utilised. The contract is therefore due to expire on 31st December 2017. Please see Appendix A for details.
- 3.2 The Rough Sleepers' Support Service supports clients by providing outreach support to make contact with people sleeping rough and supporting former rough sleepers to move on to supported, social or PRS housing. The support worker provides tenancy sustainment, support with move-on, and links into appropriate agencies to prevent a return to rough sleeping, reducing the length of stay and increasing the number of people moving on in a planned way. (Please refer to Appendix A – for a breakdown of contract 933A rough sleepers support service specifications and values).
- 3.3 The Rough Sleepers' Support services are due to expire on 31 December 2017 with the exception of the Wellington House Outreach support worker which is due to expire on 30 June 2017.
- 3.4 **Wellington House Outreach Support Worker – contract award**
This support service was included in the rough sleepers' support service contract by way of a variation in 2014. The support worker provides in-reach support to former rough sleepers accommodated in the Wellington House 100 bed short-stay hostel, pending a vacancy in supported accommodation. The support worker provides income maximization support, tenancy sustainment, preparation for and, support with move-on, and links into appropriate agencies to prevent a return to rough sleeping. Their work reduces the strain on other services, delivering cost savings for these organisations and therefore contributing to the

safer communities' agenda. These services include: Police, Probation, social care and health services and have been estimated at just over £20,000 pa per individual.

- 3.5 The Wellington House Outreach Support Worker contract expires on 30 June 2017. In order to secure the continuity of this service and align this with the recommissioning of the whole outreach resettlement service a new contract award for the support worker service is required for a period of six (6) month from 1/07/17 until 31/12/17 at a total value of £18,753. This will be funded from current budgets.
- 3.6 **Outreach and On-Call Service enhancement**
Funding has been secured from the Department for Communities and Local Government via a successful bid to the Rough Sleeping Prevention Fund. The funding aims are to help those new to the streets, or at imminent risk of sleeping rough to get the rapid support they need in order to leave the streets, achieve financial stability and to secure sustainable accommodation.
- 3.7 The Rough Sleeping Prevention bid was for the creation of an all year shelter and a pathway from the streets. The bid sets out the customer journey, which is dependent largely upon enhancing existing services.
- 3.8 The grant funding is for a period of two (2) years from 1 April 2017 until 31 March 2019.
- 3.9 It is proposed to directly award a new contract for the outreach service provided by Thames Reach HA Ltd to five shifts a week with additional complex casework support and provide an extra five months on call cover.
- 3.10 The proposed contract for the Outreach Support and On-Call service has a maximum annual vale of £54,372. It is intended that the new contract for the Outreach Resettlement service with Thames Reach HA Ltd is for a period of six (6) months to align with the expiry of the overarching contract in December 2017. The value of a six (6) month service contract will be a maximum value of £34,357.87.
- 3.11 The contract for the service provision with the current supplier Thames Reach HA Ltd will ensure a clear single provider approach and pathway for rough sleeping clients. It would be counterintuitive to have two suppliers providing the same service, especially given that the Services are to be re-procured shortly.

3.12 Prior to the expiration of the Outreach and Resettlement Service on 31st December 2017 these services will be re commissioned via a mini competition from the Integrated Framework Agreement. The new specification will make provision for the support worker and modified outreach and resettlement services. It will also make provision for the modified grant funded outreach and resettlement service to be stepped down after a period of 18 months when the funding expires on 31 March 2019.

4. CONSULTATION

4.1 The grant funding within this proposal has been developed and will be delivered by a wide coalition of partners: The CR Zero 2020 partnership (CRISIS, Evolve Housing and Support, Croydon Council, Thames Reach, Expert Link, CAYSH and Homeless Link) Faith and voluntary groups providing services to rough sleepers: Croydon Churches Floating Shelter, Emmanuel Church, Nightwatch, St Mildred’s Church, Refugee Floating shelter Other support providers: Hestia, Turning Point, MIND, Health partners: Public Health, CCG, and GP networks. We have also discussed our proposal with neighbouring boroughs: Wandsworth, Merton, Sutton, Richmond and Kingston who have accepted a proposal to spot purchase bed spaces within the night shelter if utilisation allows.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 Budgetary provision exists for the extension of the support worker service, within the Gateway Welfare and Enablement budget.

5.2 Funding for the modification of the outreach service has been secured from the Department for Communities and Local Government via a bid the DCLG Rough Sleeping Prevention Grant. Funding was secured for a two (2) year period. Six (6) months of this funding will be utilised to modify the current service within this report with the remaining 18 months funding being utilised when the service is recommissioned prior to the contract expiry 31st December 2017.

1 Revenue and Capital consequences of report recommendations

	Medium Term Financial Strategy – 3 year forecast		
	2017/18	2018/19	2019/20
	£'000	£'000	£'000
Revenue Budget available	53.11		

Expenditure			
Income			
Effect of decision from report	53.11		
Expenditure			
Income			
Remaining budget	0		

2 The effect of the decision

Directly awarding the contracts as set out in this report will commit the Council to spending the below:

- a. Support Worker Services to Thames Reach for six (6) months from 1st July 2017 until 31st December 2017 up to at an additional value of £18,753.
- b. Outreach & Resettlement to Thames Reach for a period of eight (8) months from 1st May 2017 until 31st December 2017 up to a maximum value of £34,357

Total: £53,111

The rates will be alignment with the current contract and will be within budgeted amount currently available, from the Housing Gateway budget and the Trailblazer grant funding bid.

3 Risks

The risk that directly awarding the rough sleepers' support service contract may be subject to procurement challenge however we believe this risk is reduced in respect of the following:

1. A six (6) month direct award of contract for the support worker service and eight (8) month modification of the outreach resettlement with relatively low values of work and where TUPE would apply would not be attractive to suppliers.
2. The eight (8) month and six (6) month direct awards are relative to the 5 year contract term and so, reduces the likelihood of risk, especially as a competitive mini competition from the Integrated Framework will be undertaken before the rough sleeper support service expires in December 2017 and will be open to providers of the integrated framework agreement.

4 Options

Option 1 – Do Nothing

Do nothing and allow the current support worker service provision to expire and do not utilise the grant funding to modify outreach services.

This service reduces the strain on other services, delivering cost savings for these organisations and therefore contributing to the safer communities' agenda. These services include: Police, Probation, social care and health services and have been estimated at just over £20,000 per annum per individual.

Option 2 - Re tender the services utilising the Integrated Framework Agreement.

A 6 month direct award/extension of contract for the support worker service and modification of the outreach resettlement where TUPE would apply would not be attractive to suppliers.

Thames Reach HA Ltd are a provider on the Integrated Framework Agreement within the Housing Support Lot 1f Lot F – (Housing Support Single Homeless, ex-offenders Substance Misusers Rough Sleepers) they are however not the top ranked supplier on the lot. Under the terms of the IFA, as Thames Reach are not the top provider on this lot we were unable to directly award the contract for the six (6) month extension period required.

Option 3 – Directly award new contracts to the existing provider

- a. authority is given to directly award of a new contract for a period of 6 months for the Wellington House Support Worker service to Thames Reach HA Ltd; and
- b. authority is given to directly award a new contract for a period of eight (8) month for the outreach and on-call services to Thames Reach HA Ltd.
 1. The terms and conditions of the existing contract with Thames Reach will be used.
 2. The existing outreach and resettlement contract was for a period of three (3) years with an option to extend for a further two (2) years (maximum of 5 years in total). All permissible extensions have been utilised. Therefore, the provider would need to formally agree to the new award of contracts and these will need to be signed by both the Provider and the Council prior to the expiry of the existing arrangements.
 3. The contract award of the support worker service will allow the commissioner to align the expiry of this service with the expiry of the main contract in December 2017 and enhancing the current service provision with the current supplier Thames Reach HA Ltd will ensure a clear single provider approach and pathway for rough sleeping clients. It would be counterintuitive to have two suppliers providing the same service.

5 Future savings/efficiencies

This service reduces the strain on other services, delivering cost savings for these organisations and therefore contributing to the safer communities' agenda. These services include: Police, Probation, social care and health services and have been estimated at just over £20,000 per annum.

Prior to the expiration of the Rough Sleepers' Support Service in December 2017 these services will be re commissioned via a mini competition from the Integrated Framework Agreement. TUPE will apply to any new contract and may have an effect on the ensuing cost of this contract.

Approved by; Luke Chiverton, Head of Finance

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 The Solicitor to the Council comments that the recommendations within this report seeks to support the Council's duty to achieve best value pursuant to the Local Government Act 1999.

Approved on behalf of Jacqueline Harris-Baker, Director of Law and Monitoring Officer.

7. HUMAN RESOURCES IMPACT

- 7.1 This report recommends a variation and extension of an existing contract with Thames Reach HA (the current contract provider). This means the service provisions would remain as they are, and there are no human resources or TUPE implications for the Council arising from this report.

However, if there are any changes in the future that result in a service provision (for example, the service is re-procured and awarded to a new service provider), this may invoke the effects of the Transfer of Undertakings (Protection of Employment) 2006 Legislation. However, where the activities of the new service provider are "fundamentally not the same", TUPE may not apply, as provided for by the 2014 amendments to the Transfer of Undertakings (Protection of Employment) 2006 Legislation. The application of TUPE or otherwise would be determined between the two service providers. It is therefore important to seek HR advice at an early stage.

Nevertheless, this would remain a change of service provision for which the Council is the client; on that basis, the role of the Council would usually extend no further than facilitating the process. There is no other substantial Human Resource impact for LBC staff.

Approved by: Debbie Calliste, Head of HR (People) and People Planning on behalf of the Director of Human Resources)

8. EQUALITIES IMPACT

- 8.1 An Equalities Impact Assessment of Supporting People services was carried out as part of the supported housing chapter of the Housing Strategy in July 2011. Commitment to the Council's equalities and diversity values and objectives was a key part of the tender evaluation. The potential impact of the Framework Agreement on smaller organisations, including local and BME led organisations was considered and influenced the capacity building programme prior to launch of the tender. The Supporting People Framework Agreement enables implementation of the Supporting People Strategy and Commissioning Plan'.

9. ENVIRONMENTAL IMPACT

9.1 N/A

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 The recommendations in this report will help to reduce crime and disorder for rough sleepers supported by this project.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 It is recommended that authority is given for a new contract awards for the support worker service and the outreach service for a period of up to 6 and 8 months respectively to ensure continuity of the rough sleeper support service contract.

The awards will allow for current service provision to continue while providing a reasonable timeframe for commissioner to align all the outreach resettlement & support worker service specification and re tender via the Integrated Framework agreement.

It will also enable the smooth integration of the trailblazer funding to modify the current service offer in a timely and effective manner as it would be counterintuitive to have two suppliers providing the same service.

12. OPTIONS CONSIDERED AND REJECTED

12.1 See Paragraph 4 of this report.

CONTACT OFFICER:

Name:	Vivienne Weeks
Post title:	Procurement Officer
Telephone number:	Ext 62380

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972: none

APPENDIX A – Contract details for 933A rough sleepers support service.

Contract 933A Rough Sleepers’ Support Service contract contained the following service specification elements:

1. **Outreach:** going out onto the street to contact people sleeping rough. Capacity - 17 rough sleepers. 0.88 support workers, 0.2 management FTE. Value - £34,823.40 pa.
2. **Resettlement Service:** supporting former rough sleepers to move onto supported, social or PRS housing. Capacity 50 rough sleepers. 3.54 support workers, 0.8 management FTE. Value - £139,938.24 pa.

4. **Direct Access Hostel:** accommodation based project for 13 rough sleepers providing assessment and referral onto appropriate services. Service ceased. These units were replaced by Palmer House contract. Value - £35,858.16pa
5. **Volunteer mentoring and befriending service – Value £33,201.96 pa** (01/01/2013 – Expired 31/12/2016)

Variations to the contract to date include;

1. **Introduction of on-call to support the CCFS winter shelter**
Value £ 4,726pa – 10/01/13 - Expires 31/12/17
2. **Removal of the Direct Access Hostel and introduction of the Wellington House Outreach Support Worker**
Value - £37,506
Contract value to date x 26months (01/04/14 - Expires **30/06/17**) - **£81,263**

The current contract now consists of the following services;

1. **Outreach:** Value - £34,823.40 pa. – Expires 31/12/17
2. **Resettlement Service:** Value - £139,938.24 pa – Expires 31/12/17
3. **On-call to support the CCFS winter shelter:** Value - £4,726 pa – Expires 31/12/17.
4. **Wellington House Outreach support worker:** Value - £37,506 pa - Expires **30/06/17**