

Finance and Resources Committee

10.00, Tuesday, 23 January 2017

Award of Contract for Homelessness Prevention: Visiting Support for Young People Contract Ref: CT2196

Item number	7.16
Report number	
Executive	
Wards	City Wide
Council Commitments	C9

Executive Summary

This report seeks the approval of the Finance and Resources Committee to award a contract for the provision of Visiting Housing Support Services for Young People for homelessness prevention, from 1 April 2018 for a period of three years, with options to extend for a maximum of two further years.

The total estimated value of the contract, including extensions, is £2,343,440. When compared to the pilot projects this represents an estimated saving of £212,365 (£42,473 per annum) over the duration of the contract including extensions.

Award of Contract for Homelessness Prevention: Visiting Support for Young People

1. Recommendations

- 1.1 The Finance and Resources Committee approves the award of a contract to Link Living Ltd for the provision of Visiting Housing Support Services for Young People for homelessness prevention from 1 April 2018 for a period of three years, with options to extend for a maximum of two further years and an indicative value of £2,300,000

2. Background

- 2.1 The Homelessness Prevention Commissioning Plan, approved by the Policy and Strategy Committee on 6 September 2011, set out the need to prevent homelessness wherever possible and where people do become homeless, for services to help people to resolve their homelessness as quickly and effectively as possible.
- 2.2 During the financial year 2016 to 2017, almost 900 young people between the ages of 16 and 25 presented as homeless to the City of Edinburgh Council. Of this total 40% were under 22 years of age.
- 2.3 On 13 May 2015, the Finance and Resources Committee approved the award of 5 pilot projects for homelessness prevention for the provision of visiting housing support for young people. These projects will end on 31 March 2018.
- 2.4 This service is designed to have a positive impact by providing help to young people to find and retain a home, develop the skills required to live on their own successfully and access employment. The service users are people who are 16 years to 25 years old and who are at risk of becoming homeless, are homeless or have recently experienced homelessness.

3. Main report

- 3.1 On 11 March 2017, the Council published a Prior Information Notice (PIN) on the Public Contracts Scotland (PCS) website, providing information about its intention to undertake procurement of support services for young people for homelessness prevention. 35 notes of interest were received.

- 3.2 Extensive coproduction was carried out which included engagement with potential providers, past and current service users. Information from the coproduction exercises assisted with the design of the Specification. Further information on coproduction can be found in the Consultation and Engagement section of this report.
- 3.3 On 4 September 2017, the Council published a Contract Notice and Invitation to Tender (ITT) on PCS.
- 3.4 A provider briefing meeting was held on 21 September 2017 to give further guidance to potential bidders about the requirements and the related technical details of tendering on PCS.
- 3.5 Information about tendering and the tender evaluation process is contained in Appendix 1.
- 3.6 A total of five tenders were received by the closing date of 12 October 2017.
- 3.7 The Council set a minimum acceptable level for quality assessment to ensure quality would have a significant influence on the outcome.
- 3.8 The recommendation for award of contract is based on the completed evaluation scores for the five tenders as detailed below:

Provider	Quality (out of 60)	Price (out of 40)	Total (out of 100)
Link Living Ltd	52.50	36.95	89.45
Provider B	48.00	40.00	88.00
Provider C	42.00	38.89	80.89
Provider D	33.75	37.44	71.19
Provider E	33.75	33.30	67.05

- 3.9 Quality was deemed more important than price due to the nature of this service and an evaluation weighting of 60:40 for Quality: Price was applied. This resulted in the preferred bidder being the provider who achieved the highest score for quality and the fourth highest score for price.
- 3.10 The preferred bidder, Link Living Ltd, will work in partnership with Move On to deliver the service.

4. Measures of success

- 4.1 The contract is awarded on the basis of the most economically advantageous tender to have met the qualitative, technical and commercial requirements.
- 4.2 This service will help to achieve a sustainable Edinburgh, because service users will receive support to set up and maintain appropriate accommodation; avoid eviction or loss of accommodation; prepare for and/or maintain living independently; and access employability services.

- 4.3 The Council achieves improvements in service provision and value for money by taking account of information obtained from monitoring the pilot projects and from the coproduction process.
- 4.4 The Council achieves compliance with procurement legislation, regulations, policies and procedures relating to responsible expenditure of public monies.
- 4.5 The service is monitored with Key Performance Indicators which are linked to the key objectives of the service including assisting service users to find, set up and keep appropriate accommodation, avoid eviction or loss of accommodation and prepare for and/ or maintain living independently.

5. Financial impact

- 5.1 Providers were asked to offer a fixed price per service user for the provision of Visiting Support for up to 12 months.
- 5.2 Outcome payments are linked to Key Performance Indicators which provide an additional incentive and focus on gaining and sustaining appropriate accommodation. These will be monitored by contract management. The total value of outcome payments available on achievement of outcomes is £92,400 (20% of the total annual value).
- 5.3 The price per annum per provider is shown in the table below:

Provider	Price Per Annum*
Link Living Limited	£376,288
Bidder B	£347,600
Bidder C	£357,500
Bidder D	£371,360
Bidder E	£417,560

*This price does not include any outcome related payments

- 5.4 The annual cost of this contract is estimated at £468,688 and the total estimated value of the contract, including extensions, is £2,343,440. Compared to the pilot projects (£511,161 per annum), this represents an estimated saving of £212,365 over 5 years (£42,473 per annum).
- 5.5 The cost associated with procuring this contract is estimated at between £10,001 and £20,000.

6. Risk, policy, compliance and governance impact

- 6.1 If this contract is not awarded there may be a risk of the Council being unable to meet its aims as set out in The Homelessness Prevention Commissioning Plan.
- 6.2 The contract to be awarded is compliant with procurement regulations and the Council's Contract Standing Orders (CSOs). The risk of legal challenge relating to

contractual arrangements for the provision of this homelessness prevention support services will thereby be reduced.

- 6.3 The provider must meet the following requirements as part of the contract to ensure quality of service;
 - 6.3.1 Care Inspectorate minimum of Grade 4 for Quality of Care and Support;
 - 6.3.2 All personnel who will be employed and volunteers used to deliver this contract are PVG registered or Disclosure Scotland checked as relevant to their role in the organisation; and
 - 6.3.3 Relevant staff will be SSSC registered.

7. Equalities impact

- 7.1 An Equalities and Rights Impact Assessment (ERIA) was undertaken for the Homelessness Prevention Commissioning Plan, which was approved by the Policy and Strategy Committee on 6 September 2011.
- 7.2 A subsequent ERIA was undertaken prior to the procurement of these contracts and it has been updated.
- 7.3 Information from the ERIA was used to inform the Specification to ensure equitable access to the service for all eligible service users.

8. Sustainability impact

- 8.1 The impacts of this report in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties have been considered, and the outcomes are summarised below.
- 8.2 The proposals in this report will neither reduce nor increase carbon emissions.
- 8.3 The need to build resilience to climate change impacts is not relevant to the proposals in this report because there are no related matters for consideration.
- 8.4 The proposals in this report will help achieve a sustainable Edinburgh, because service users will receive support to set up or maintain appropriate accommodation; avoid eviction or loss of accommodation; prepare for and / or maintain living independently; and access employability services.
- 8.5 Environmental good stewardship is not considered to impact on the proposals in this report, because there are no related matters for consideration.
- 8.6 The preferred bidder has offered to provide a range of community benefits related to the contract, including two modern apprenticeships, five work placements and ten Job, Education and Training (JET) Programme placements during the contract period (including extensions). The preferred bidder will also connect with schools to deliver peer education sessions and talks on employability. The designated contract

manager in the Partnership and Planning Team in Homelessness and Housing Support will be responsible for monitoring the delivery of these community benefits.

9. Consultation and engagement

- 9.1 A coproduction briefing meeting with incumbent and potential service providers took place on 4 April 2017. A questionnaire was published on PCS on 6 April 2017 and responses were received from 13 organisations.
- 9.2 Coproduction cafe style workshops with potential providers were held on 19 April 2017 and 15 May 2017 and attended by representatives from 18 different organisations. Summaries from the discussions during the workshops were published on the PIN and a draft service specification was published for feedback from interested potential providers.
- 9.3 A survey of current and past service users was undertaken and 38 completed surveys were subsequently returned.

10. Background reading/external references

- 10.1 *Contract Award for Homelessness Prevention – Young People Services*, 13 May 2015, Item 7.16
- 10.2 *Review of the Implementation of the Homelessness Prevention Commissioning Plan and Extension of Contracts*, Finance and Resources Committee, 2 February 2016, Item 7.5
- 10.3 *City Housing Strategy 2012-2017*, Health, Social Care and Housing Committee, 13 December 2011, Item 11

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11. Appendices

Appendices

1 – Summary of Tendering and Tender Evaluation Processes

Appendix 1

Summary of Tendering and Tender Evaluation Processes

Contract	Homelessness Prevention: Visiting Support for Young People Contract Ref: CT2196	
Contract Period	1 April 2018 to 31 March 2023	
Estimated Contract Value (including extensions)	£2,343,440 (including extensions)	
Procurement Route Chosen	Open Procedure	
Tenders Returned	5	
Name of Recommended Supplier(s)	Link Living Ltd	
Price / Quality Split	Quality 60	Price 40
Evaluation Criterion and Weightings and reason for this approach	Criteria	Weighting (%)
	Service Delivery	25%
	Organisational Structure	10%
	Practical Support	25%
	Lessons Learned	15%
	Performance Management	10%
	Fair Working Partnerships	10%
	Zero Hours Contracts & the Living Wage	N/A
	Community Benefits	5%
Evaluation Team	Council Officers from Homelessness Services with relevant experience.	