

Finance and Resource Committee

10.00am, Thursday, 23 May 2019

Award of Contracts to the Open Framework for Homelessness Accommodation with Support for Adults and Young People

Item number	7.9
Executive/routine	
Wards	
Council Commitments	

1. Recommendations

That the Finance and Resources Committee:

- 1.1 Notes the appointment of 12 providers to the Open Framework for Homelessness Accommodation with Support for Adults and Young people under the Urgency Procedure, paragraph 4.1 of the Committee Terms of Reference and Delegated Functions.
- 1.1 The contract duration will be for 36 months, with an option to extend for a further period of 12 months. Each contract start date will be 17th June 2019.
- 1.2 The total estimated value of call off contracts to the Council, including extensions, is £17,564,828. This may vary based on usage.

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Award of Contracts to the Open Framework for Homelessness Accommodation with Support for Adults and Young People

2. Executive Summary

- 2.1 The City of Edinburgh Council (the Council) has a legal statutory duty to provide temporary accommodation, to people that are homeless, to meet its obligations under Part II of the Housing (Scotland) Act 1987 – Homelessness Provisions.
- 2.2 Around 1,200 people access homeless accommodation with support each year due to their specific needs, there is a need to continue and expand this capacity to meet the needs of homeless people.

3. Background

- 3.1 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.
- 3.2 The contracts used to provide temporary accommodation with support for homeless people have not been tendered since 2003 and have been growing organically in partnership with third sector providers, to try and meet the needs of Edinburgh's homeless population. Therefore, as part of the strategic development which is being overseen by the Council's Homelessness Task Force, it was agreed to re-tender these contracts to ensure that services meet future requirements. This agreement is noted in the Finance and Resources Committee of 23 February 2017.

4. Main report

- 4.1 This framework was awarded under the Council's Urgency Procedure, in order to secure additional supported temporary accommodation, reduce the need for non-contracted spend and to reduce costs to the Council.

- 4.2 The procedure states that “If a decision which would normally be made by a Committee requires to be made urgently between meetings of the Committee, the Chief Executive or appropriate Director, in consultation with the Convener or Vice Convener may take action, subject to the matter being reported to the next Committee”.
- 4.3 In September 2017, a Prior Information Notice (PIN) was published on Public Contracts Scotland (PCS) to invite providers or those with an interest in homelessness and support to attend a co-production event.
- 4.4 This event was attended by 25 organisations on 4th October 2017. The purpose of the meeting was to discuss new innovative ways to provide services in a conversation café style format.
- 4.5 After full analysis of the information provided on the day and written opinions submitted from those unable to attend the event, the service area responded with a document called “You said, we did” in April 2018 to ensure all interested parties received feedback.
- 4.6 The service area concluded a service user consultation on 12 March 2018. This comprised of;
- 4.6.1 Questionnaires to cover the range of service users including young people and addictions, accessible through hard copy and online;
 - 4.6.2 Meetings with service users;
 - 4.6.3 Briefings to Strategic Homeless Action Partnership in Edinburgh (SHAPE).
- 4.7 Key feedback from the co-production included; services are still required to work with temporary accommodation services to improve the pathway into homeless accommodation with support; support needs to be tailored to the homeless person requirements within the remit of the service; support is still required to ensure service users gain suitable longer-term accommodation as an outcome. There was also a recognised need for a rapid access accommodation service for those with multiple and complex needs.
- 4.8 In May 2018, providers who noted interest and attended the co-production event were given the opportunity to preview and comment on the new specifications, which were developed to improve services. These comments were addressed, and adjustments were made, where possible, to the specifications.
- 4.9 Once the co-production was complete, a contract opportunity was published via PCS for an Open Framework; which means that the Council can re-open the opportunity on a yearly basis to encourage further capacity building should there be further budget allocation.
- 4.10 As this is a social care service, the tender was published in accordance with the Public Contracts (Scotland) Regulations 2015 with the Light Touch Regime applied.
- 4.11 The framework was split into 6 lots according to the support required;
- 4.11.1 Lot 1; General Homeless Accommodation with Support

- 4.11.2 Lot 2; Rapid Access Accommodation Service
- 4.11.3 Lot 3; Homeless Accommodation with Support (Complex/Multiple Needs)
- 4.11.4 Lot 4; Homeless Accommodation with Support (Young People)
- 4.11.5 Lot 5; Homeless Accommodation with Support for Veterans
- 4.11.6 Lot 6; Homeless Accommodation with Support for Move on Flats
- 4.12 Bids were received from 12 providers. All tenders received were evaluated based on most economically advantageous tender (MEAT), weighted 70:30 for quality and price. Quality being of greater importance due to the nature of the service. Details of the Evaluation criteria can be found in Appendix 1.
- 4.13 All providers were assessed as meeting the quality criteria and the price was based on the proposed rate for support per individual per week. Scoring breakdown is detailed in Appendix 2.
- 4.14 Please note, allocation of the 'call off' contract to each provider will not be based solely on ranking but also on the service user's specific needs, existing provision and the capacity available from providers.
- 4.15 The designated Contract Manager from Safer and Stronger will be responsible for monitoring delivery and reporting on Community Benefits by the individual providers.

5. Next Steps

- 5.1 Subject to approval, the services will commence on 17 June 2019 and assist the Council to meet its statutory obligations with regards to the provision of accommodation for homeless people with support needs.
- 5.2 All providers have been kept informed throughout this process and are aware that award of contract is dependent upon committee approval.
- 5.3 The open framework opportunity may be re-opened on a yearly basis. This will be dependent on circumstances, for example if there is a new provider on the market or a new offer from established providers and / or if there is a better model of provision within the lots.

6. Financial impact

- 6.1 The providers have agreed to a fixed pricing structure for a minimum of three years. The benefit of this will be easier contract management, clearer expectations and greater financial stability for providers.
- 6.2 The proposals from all providers will result in increased expenditure, however this will be offset by a reduction in temporary accommodation costs as a result of the

increase in the number of homeless accommodation with support places being commissioned.

- 6.3 Satisfactory financial assessments have been completed for all providers.
- 6.4 All providers will be expected to provide Community Benefits as per their tender submissions.
- 6.5 The costs associated with procuring this contract are estimated to be between £20,001 and £35,000.

7. Stakeholder/Community Impact

- 7.1 Stakeholders have been involved in this process. Please refer to main body for full explanation of stakeholder involvement within the process.
- 7.2 An Integrated Impact Assessment has been completed and all recommendations have been addressed throughout the process.
- 7.3 The contracts with these providers have been mostly established therefore there will be a reduced learning curve (reduced training requirements) with the continuation of the core service, with service expectations now clarified through the redevelopment of the specification.
- 7.4 The outcome of awarding these contracts will be to ensure good quality temporary accommodation with specialised support, which makes better use of resources, reduces the need for Bed and Breakfast and increases the positive and sustainable outcomes for Edinburgh's citizens.
- 7.5 No significant environmental impacts are expected to arise from this contract.
- 7.6 This procurement has adhered to the policy on Sustainable Procurement and Implementing Community Benefits guidance.
- 7.7 The success of these contracts will be measurable against Key Performance Indicators which are detailed within the specifications.

8. Background reading/external references

- 8.1 http://www.edinburgh.gov.uk/meetings/meeting/4131/finance_and_resources_committee

9. Appendices

- 9.1 Appendix 1 – Summary of Tendering and Tender Evaluation Processes
- 9.2 Appendix 2 – Estimated Contract Value and Ranking
- 9.3 Appendix 3 – Spaces Provided

Appendix 1 – Summary of Tendering and Tender Evaluation Processes

Contract	CT2273	
Contract Period	3 years with the option to extend by a further 12-month period	
Estimated Total Contract Value (including extensions)	£17,564,828	
Procurement Route Chosen	Open OJEU tender for an Open Framework Agreement	
Call off Contracts to be Awarded	20 call off contracts to 12 providers	
Price / Quality Split	Quality 70	Price 30
	Criteria	Weighting (%)
Evaluation Criterion and Weightings	Service Delivery	30%
	Partnership Working and Communication	20%
	Homelessness Assessments and access to benefits	10%
	Service Delivery Team	5%
	Client Support	10%
	Health and Safety	5%
	Business Continuity	5%
	Added Value	5%
	Community Benefits	5%
	Fair Work Practices	5%

Appendix 2 – Estimated Contract Value and Ranking

Lot 1 – General Homeless Accommodation with Support

Supplier	Quality Score 70/100	Cost score 30/100	100% of Tender to Final Score	Rank	Estimated Annual Contract Award
Y People	59	29.5	88	1	£282,360
Bethany Christian Trust	54	29	83	2	£269,360
Dunedin Canmore Housing	48	30	78	3	£361,390
Crossreach	51	24	75	4	£269,100
Rowan Alba Limited	50	20	70	5	£135,772
Total					£1,317,982

Lot 2 - Rapid Access Accommodation Service

Supplier	Quality Score 70/100	Cost score 30/100	100% of Tender to Final Score	Rank	Estimated Annual Contract Award
The Salvation Army	60	30	90	1	£282,568
Streetwork (UK)	56	17	73	2	£207,168
Total					£489,736

Lot 3 - Homeless Accommodation with Support (Complex/Multiple Needs)

Supplier	Quality Tender Score 70/100	Cost score 30/100	100% of Tender to Final Score	Rank	Estimated Annual Contract Award
Gowrie Care	52	30	82	1	£1,188,166
Bethany Christian Trust BCC	53	28	81	2	£178,048
Bethany Christian Trust HH	51	28	79	3	£133,536
Crossreach	53	27	80	3	No call off at present
Dunedin Canmore Housing	48	26	74	4	No call off at present
Total					£1,499,750

Lot 4 - Homeless Accommodation with Support (Young People)

Supplier	Quality Tender Score 70/100	Cost score 30/100	100% of Tender to Final Score	Rank	Estimated Annual Contract Award
The Rock Trust	59	30	89	1	£194,688
Four Square (Scotland)	56	21	77	2	£347,360
Y People	54	19	73	3	£141,180
Total					£683,228

Lot 5 - Homeless Accommodation with Support for Veterans

Supplier	Quality Tender Score 70/100	Cost score 30/100	100% of Tender to Final Score	Rank	Estimated Annual Contract Award
Scottish Veterans Housing Association	53	30	83	1	£106,600
Total					£106,600

Lot 6 - Homeless Accommodation with Support for Move on Flats

Supplier	Quality Tender Score 70/100	Cost score 30/100	100% of Tender to Final Score	Rank	Estimated Annual Contract Award
The Salvation Army	63	30	93	1	£26,071
Crossreach	55	19	74	2	£30,444
Bethany Christian Trust	52	19	71	3	£130,000
Dunedin Canmore Housing/Barony Housing Association	49	17	66	4	£107,396
Total					£293,911

Appendix 3 – Spaces Provided

Lot 1 – General Homeless Accommodation with Support

Supplier	Number of spaces
Y People	30
Bethany Christian Trust	28
Dunedin Canmore Housing	39
Crossreach	23
Rowan Alba Limited	10
Total	130

Lot 2 - Rapid Access Accommodation Service

Supplier	Number of spaces
The Salvation Army	38
Streetwork (UK)	16
Total	54

Lot 3 - Homeless Accommodation with Support (Complex/Multiple Needs)

Supplier	Number of Spaces
Gowrie Care	115
Bethany Christian Trust	28
Total	143

Lot 4 - Homeless Accommodation with Support (Young People)

Supplier	Number of Spaces
FourSquare	40
The Rock Trust	32
Y People	15
Total	87

Lot 5 - Homeless Accommodation with Support for Veterans

Supplier	Number of Spaces
Scottish Veterans Housing Association	82
Total	82

Lot 6 - Homeless Accommodation with Support for Move on Flats

Supplier	Number of Spaces
The Salvation Army	8
Crossreach	6
Bethany Christian Trust	25
Dunedin Canmore Housing/Barony Housing Association	19
Total	58

Total – 554 spaces