

Finance and Resource Committee

10am, Thursday, 5 March 2020

Award of Support to Establish a Home Framework Agreement

Item Number
Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee:
- 1.1.1 Approves the award of a Framework Agreement to assist with homelessness prevention. This framework will provide furnishings and support for new tenants to establish and sustain a home, to a consortium known as Gateway to Homes and Communities. There are two consortium partners, Bethany who the Council are contracting with as lead partner and Fresh Start.
 - 1.1.2 Approves the commencement of the framework on 1 April 2020, for a period of five years with two optional 12-month extensions, at a total estimated value of £1,540,000.

Alistair Gaw

Executive Director for Communities and Families

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Report

Award of Support to Establish a Home Framework Agreement

2. Executive Summary

- 2.1 This report seeks approval to award a framework agreement to a consortium known as Gateway to Homes and Communities. This framework will provide furnishings and support commencing on 1 April 2020, for a period of five years with two optional 12-month extensions, at an estimated annual value of £220,000 and a total estimated value of £1,540,000.

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 Commissioning Plan also set out the requirement to provide a range of services, which are flexible and effective, for people with a range of needs.
- 3.3 The Council requires a service, known as Support to Establish a Home, to assist individuals on low incomes to access household items needed to establish and sustain a home and further support them to live independently and develop social networks.
- 3.4 The framework has not been tendered since 2009. As part of the development of contracts under the Commissioning Plan it has now been re-tendered.

4. Main report

- 4.1 In October 2018, 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.

- 4.2 This event took place on 1 November 2018 and 3 organisations attended. The purpose of the meeting was to discuss ways to provide services and was conducted in a conversation/café style format.
- 4.3 The providers who attended the co-production event were given the opportunity to preview and comment on the new specification. These comments were addressed, and adjustments were made, where possible, to the specification.
- 4.4 The service area responded with a document called “You said, we did” in May 2019 to ensure all interested parties, that attended the co-production event, received feedback.
- 4.5 The tender was published on Public Contracts Scotland on 19 July 2019, as set out in the Public Contracts (Scotland) Regulations 2015.
- 4.6 The procurement process followed an open tendering procedure to ensure maximum competition.
- 4.7 Stage one, Qualification, was conducted using the European Single Procurement Document (ESPD). Within the ESPD, suppliers were measured against a set of pass/fail criteria relating to essential characteristics and capabilities that they must adhere to in order to participate in the next stage of the tender process.
- 4.8 A quality/cost ratio of 60%/40% was applied to ensure that quality was of a high standard whilst also ensuring value for money.
- 4.9 Of the 25 suppliers that noted interest in the Contract Notice, tenders were received from two providers. Both bids were deemed to be compliant and subsequently evaluated.
- 4.9 Following completion of the quality analysis, the suppliers’ bids were subjected to cost analysis and had to submit an overall price to deliver the complete service incorporating all furnishings and support service.
- 4.10 A summary of tendering and the tender evaluation process is attached at Appendix 1 with the consortium Gateway to Homes and Communities providing the most economically advantageous tender.

5. Next Steps

- 5.1 Subject to approval, contract award documentation will be prepared and issued for the framework start date of 1 April 2020.
- 5.2 In line with the Procurement (Scotland) Regulations 2016, the Council will issue an award notice on Public Contracts Scotland.
- 5.3 The framework will be managed by a Commissioning Officer from Homelessness & Housing Support: Partnership & Planning Service who will track spend and delivery of the framework and monitor community benefits, management information and application of key performance indicators throughout the framework term.

6. Financial impact

- 6.1 The framework value is estimated at £1,540,000, over the contract period including extensions.
- 6.2 It is a condition of this framework that the pricing is fixed for five years and any subsequent price increases must not exceed the Consumer Price Index.
- 6.3 The Housing Revenue Account will provide 88% of funding for this framework for new Council tenants.
- 6.4 A benchmarking exercise was conducted on the spend for 2018-19 compared with the new framework pricing. The result of the benchmarking demonstrates savings of 9.59% - £23,345 per annum based on current spend forecasts over the five year fixed pricing period.
- 6.5 The costs associated with procuring this framework are estimated to be £10,001-£20,000.

7. Stakeholder/Community Impact

- 7.1 Consultation and engagement has been undertaken by way of a questionnaire to service users of the existing contract.
- 7.2 An Integrated Impact Assessment has been completed and all recommendations have been addressed.
- 7.3 The outcome of awarding this framework will be to ensure new tenants who have been homeless will have the furnishings they need, in order to move in with the aim of sustaining their tenancy.
- 7.4 This procurement has adhered to the policy on Sustainable Procurement and Implementing Community Benefits guidance. The provider will be required to provide community benefits in line with the value of the framework. The benefits will be agreed at framework commencement and monitored throughout the life of the framework by the contract manager.
- 7.5 It is a mandatory requirement that the provider and their staff minimise the impact of the delivery of the services on the environment.
- 7.6 The provider will endeavour to achieve the efficient use of energy and, where possible, to maximise the use of biodegradable or recycled products.
- 7.7 Both consortium members pay all staff the Scottish Living Wage as a minimum. The consortium members have Scottish Living Wage Accreditation.

8. Background reading/external references

- 8.1 Award of original contract - Contract for the provision of Homelessness Services (non-accommodation)
http://www.edinburgh.gov.uk/meetings/meeting/1381/finance_and_resources_committee

9. Appendices

- 9.1 Appendix 1 - Summary of Tendering and Tender Evaluation Processes.

Appendix 1 – Summary of Tendering and Tender Evaluation Processes

Contract	Contract Ref: CT2357 Homelessness Prevention: Support to Establish a Home	
Contract Period	1 April 2020 to 31 March 2025 with two optional 12 month extensions (5+1+1)	
Estimated Contract Value (including extensions)	£1,540,000	
Procurement Route Chosen	Open Procedure	
Tenders Returned	2	
Name of Recommended Supplier(s)	A consortium known as Gateway to Homes and Communities (made up of Bethany Christian Trust and Fresh Start)	
Price / Quality Split	Quality 60	Price 40
	Criteria	Weighting (%)
Evaluation Criterion and Weightings	Service Delivery	30%
	Organisational Structure	10%
	Practical Support	10%
	Meeting Key Performance Indicators & Targets/Performance Management	15%
	Continuous Improvement	10%
	Partnership Working and Communication	10%
	Fair Work Practices	10%
	Community Benefits	5%
	Zero Hours Contracts & the Living Wage	Information Only
	Evaluation Team	Council Officers from Homelessness Services with relevant experience.