

**Report to CABINET**

**PART A**

## **A Bed Every Night Phase 5 Procurement**

**Portfolio Holder:**

Councillor Amanda Chadderton – Leader & Cabinet Member for  
Regeneration & Housing

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Economic Growth

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Officer  
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**17<sup>th</sup> June 2022**

**Reason for Decision**

Oldham Council's A Bed Every Night (ABEN) rough sleepers' accommodation project requires recommissioning from 1<sup>st</sup> July 2022 in line with contract procedure rules. This report proposes to do so for a period of up to three years and seeks delegated approval for the Cabinet Member for Housing award the contract to the successful bidder following a competitive tendering process.

**Executive Summary**

A Bed Every Night (ABEN) has been in operation since October 2018 and has now reached its fifth iteration, with Greater Manchester Combined Authority (GMCA) confirming their intention to continue funding the project for a further three years.

ABEN provides accommodation for up to 22/23 (including one emergency bed) rough sleepers, plus an additional 6 spaces for people with No Recourse to Public Funds (NRPF). The service provides support and housing management across three buildings, with the main 18-bed building acting as a 24-hour central hub.

Oldham Council currently has a provider in place until 30<sup>th</sup> June 2022 and therefore it is proposed to procure a new contract from 1<sup>st</sup> July 2022 to 31<sup>st</sup> March 2025. This contract is to be awarded on a 1+1+1 basis to allow for any potential changes in the funding model which GMCA have indicated may be subject to review across the next three years.

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## **Recommendations**

1. To support the continued delivery of A Bed Every Night in Oldham for the period 1<sup>st</sup> July 2022 to 31<sup>st</sup> March 2025.
2. To delegate approval to the Cabinet Member for Housing of the contract award of the A Bed Every Night service following a competitive tender exercise.

## A Bed Every Night Phase 5 Procurement

### 1 Background

- 1.1 A Bed Every Night (ABEN) has been in operation since October 2018, with the service being recommissioned in each funding round through a competitive tender process. The service has evolved from a communal night shelter model to a 24-hour self-contained accommodation scheme in response to the Covid-19 outbreak, also increasing in bed spaces in response to demand.
- 1.2 ABEN is funded via grant from GMCA which is made up of contributions from a range of sources including Public Health, Probation and the Mayor's Fund. Local authorities are also asked to contribute to the scheme locally; in Oldham the Council funds the accommodation leases and most utility costs at the ABEN buildings, less any rebate recouped through Housing Benefit and service charges.
- 1.3 ABEN supports Oldham in having one of the lowest levels of rough sleeping in the Greater Manchester region, as reported via our Corporate Plan and Central Government returns.

### 2 Current Position

- 2.1 Oldham Council has existing provision for 22/23 (including one emergency bed) main ABEN bed spaces and 6 for people with No Recourse to Public Funds (NRPF). These are based across three buildings held on private sector leases by the Council.
- 2.2 The tender requires the service provider to deliver day to day support to residents and building management across the three sites. It includes Key Performance Indicators (KPIs) including efficient turnaround of property voids and submitting timely Housing Benefit claims to maximise income to the Council.
- 2.3 An incumbent service provider, DePaul, have held all previous ABEN Phase 1-4 contracts since its inception, although ABEN did close after its first incarnation between May 2019 and October 2019. There may therefore be TUPE implications should there be a change in provider following an award of contract, for which they will need to seek their own independent advice.
- 2.4 GMCA have tentatively confirmed funding for the next three financial years but have caveated this as being subject to change.
- 2.5 As a result, it is proposed to commission the new service on a '1+1+1' basis, to allow for any changes within the funding model. In addition to this there is provision within the building leases Oldham Council uses to accommodate ABEN residents meaning they could be sub-let to the successful bidder if this would allow for improved value for money, such as via an exempt accommodation model.
- 2.6 The value of the tender is to be as follows:

2022/23	£225,000 (9 months)
2023/24	£260,000
2024/25	£230,000

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2.7 The incumbent service provider is in contract until 30<sup>th</sup> June 2022; due to this short timescale this report seeks delegated approval for the Cabinet Member for Housing to award the new contract.

### 3 **Options/Alternatives**

3.1 Option 1: Deliver the ABEN service by procuring a provider via a competitive tender exercise.

3.2 The option above is recommended to ensure the Council achieves value for money and quality via the open market. It is thought likely that the Council will secure a provider via this exercise via earlier soft market testing, and the contract will be procured on a 1+1+1 basis to help reduce risk should any changes need to be made to the funding model via GMCA.

3.3 Option 2: Deliver the ABEN service in-house via the statutory Temporary Accommodation (Housing Options) service.

3.4 The option above is not recommended due to a lack of staffing capacity to provide support to the 28/29 ABEN residents, and the time and cost it would take to recruit to fixed term contracts to remedy this.

### 4 **Preferred Option**

4.1 Option 1: Deliver the ABEN service by procuring a provider via a competitive tender exercise.

### 5 **Consultation**

5.1 Consultation undertaken with service users in February 2021 as part of GMCA Herriot-Watt study leading to service specification changes including inclusion of enhanced move-on support from Oldham Council.

5.2 Soft market testing undertaken with potential providers in August 2021 with five positive responses received.

### 6 **Financial Implications**

6.1 ABEN funding for 2022/23 has been confirmed at the same funding levels as 2021/22, on this basis the Council is confident that the 22/23 ABEN provision can be fully funded.

6.2 However from April 2023 further confirmations are required from GMCA as to what funding levels the Council will receive for both 2023/24 and 2024/25. Projected grant estimates, whilst much reduced, are still enough to cover the tender amounts.

6.3 The Council will however have to fund property costs from any remaining grant. As mentioned above there is a potential to sub-let property costs allowing for a potential increase in Housing Benefit receipts, however this is yet to be confirmed also.

6.4 Once future years funding levels have been confirmed by GMCA, the Council will need to assess whether the proposed options are still viable.

(John Hoskins)

### 7 **Legal Services Comments**

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- 7.1 Should the proposed option be approved, then there would be TUPE implication for the staff employed by the current provider, in that, subject to satisfying the legal test for TUPE, those staff may be in scope to transfer to the successful bidder. This will not involve or affect the council, however, the council will be obliged to provide full information as part of any tender information to enable prospective bidders to price their fairly with full transparency. (Radhika Aggarwal, Principal Employment Solicitor)

## 8. **Co-operative Agenda**

8.1 This decision will positively support the Council's cooperative agenda:

- Fairness: Continuation of provision of the ABEN service will ensure rough sleepers have continued access to support via the agency they have engaged with to date.
- Openness: The ABEN service is well publicised across Greater Manchester serving to highlight the extent of rough sleeping and homelessness and the need to respond to this
- Working together: ABEN will increase joint working between the council and its partners across all sectors to achieve better outcomes for our rough sleepers

## 9 **Human Resources Comments**

9.1 Option 1 – No HR Implications for the council

Option 2 – If the service was agreed to be provided in-house, TUPE may apply for the incumbent provider workforce. The appropriate council role creation and recruitment policies and procedures would need to be followed and the service would need to work closely with HR colleagues to create the new team.

(Catherine Pearson, Strategic HR Lead)

## 10 **Risk Assessments**

10.1 The report sets out a proposal to procure the Service in accordance within the rules and predicted financial resources available over a 3 year period (Mark Stenson)

## 11 **IT Implications**

11.1 None

## 12 **Property Implications**

12.1 None

## 13 **Procurement Implications**

13.1 The Commercial Procurement Unit supports the recommendations outlined in the report and will work alongside the Strategic Housing Team ensuring the procurement exercise is carried out in line with the Public Contract Regulations 2015 and the Council's Contract Procedure Rules. (Emily Molden).

## 14 **Environmental and Health & Safety Implications**

14.1 None

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## 15 Equality, community cohesion and crime implications

15.1 ABEN is an established scheme which, through its continued provision, will have a positive impact on reducing rough sleeping and resultant reports about this and associated community tensions.

15.2 The procurement of a high-quality provider to deliver the ABEN service will ensure the residents are well supported and the buildings are effectively run to reduce incidents of antisocial behaviour around the service.

## 16 Implications for Children and Young People

16.1 None

## 17 Equality Impact Assessment Completed?

17.1 Yes

## 18 Key Decision

18.1 Yes

## 19 Key Decision Reference

19.1 HSG-5-22

## 20 Background Papers

20.1 N/A

## 21 Appendices

21.1 N/A