

## Delegated Cabinet Member Decision Contract Award Report

<b>Decision Maker and Portfolio area:</b>	Councillor Amanda Chadderton – Leader & Cabinet Member for Regeneration & Housing
<b>Date of Decision:</b>	26 July 2022
<b>Subject:</b>	A Bed Every Night Phase 5 Contract Award
<b>Report Author:</b>	Fiona Carr, Principal Homelessness Strategy Officer
<b>Ward(s) Affected:</b>	N/A

---

---

### Reason for the decision:

Oldham Council, as part of the Greater Manchester Combined Authority (GMCA), is committed to continuing to deliver the A Bed Every Night (ABEN) initiative until 31<sup>st</sup> March 2025. Upon confirmation of funding to facilitate this a decision was taken by Oldham Council to continue contracting an external organisation to deliver the project.

Following a competitive tender process for the delivery of ABEN in Oldham, the successful tenderer was DePaul. This report therefore seeks authorisation to award the contract to DePaul.

### Summary:

GMCA have agreed funding to Oldham Council to deliver ABEN until 31<sup>st</sup> March 2023. Leaders have also approved the direction of travel of the planned budget for 2023/24 and 2024/25. This will be reviewed ahead of budget confirmation for either year, and confirmation of some contribution has recently been received offering a degree of assurance.

Funding is topped up by Oldham Council to meet the full costs of the project. This tender utilises the funding provided by GMCA and is for the supply of support services to residents living in ABEN schemes as well as associated day-to-

day project and building management.

Two eligible bids were received for the tender to deliver ABEN, which were evaluated with weightings of:

- 90% Technical Capacity
- 10% Social Value

Price was included as a pass/fail for this tender due to there being definitive levels of grant funding available. The price attributed to the tender was as follows:

- Year 1: £225,000 (9 months)
- Year 2: £260,000
- Year 3: £230,000

Following evaluation, DePaul were the successful tenderer, in particular having provided a good level of assurance around their staffing model and ability to respond flexibly to the needs of the service in their submission. Furthermore, DePaul outlined a potential interest in exploring an exempt accommodation model in their bid, meeting both the service specification and GMCA's expectations around future viability. Exempt accommodation is housing that is not funded or commissioned by local authority or social care funding, but has an element of care, support and supervision provided to claimants, which means it is exempt from Local Housing Allowance (LHA) caps.

DePaul are currently delivering the ABEN 'Phase 4' service in Oldham and following contract award would commence delivery of Phase 5 from 18<sup>th</sup> July 2022.

It is therefore recommended that the contract award is made to DePaul by the Cabinet Member for Regeneration and Housing via the delegated authority agreed at the Cabinet Meeting of 17<sup>th</sup> June 2022.

***What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):***

1. Award the A Bed Every Night Phase 5 contract to DePaul (recommended): This is recommended to ensure the continued delivery of accommodation and support provision for rough sleepers in Oldham.
2. Deliver in-house (not recommended): The Council has undertaken a competitive tender exercise, and to withdraw from this

would have reputational implications. Additionally, there is not currently staffing capacity to deliver ABEN in-house at short notice.

3. Do nothing (not recommended): This would have repercussions in terms of an increase in rough sleeping and reputational damage for the Council.

**Recommendation(s):**

Award the A Bed Every Night Phase 5 contract to DePaul

**Implications:**

*What are the **financial** implications?*

The cost for awarding the contract for the period 1<sup>st</sup> August 2022 to 31<sup>st</sup> March 2023 is £200,000. GMCA funding has been confirmed for 2022/23 to fully cover the cost of awarding DePaul this contract.

The continuation of this contract into 2023/24 and 2024/25 will be dependent on funding allocations from GMCA to date unconfirmed. Therefore, any extension to the contract will be subject to a further report.

As part of the ABEN implementation, the Council also incurs costs for property rental, utilities costs and any associated council tax liability. Whilst some income is received for the properties via Housing Benefit the estimated net cost to the Council is approximately £91,000. Financing of this additional cost is expected to be funded from the No Recourse to Public Funds (NRPF) Grant which for 2022/23 is confirmed as £79,200 and the remaining £11,800 being funded from existing base budget within the Homelessness cost centre.

(John Hoskins)

*What are the **procurement** implications?*

The Commercial Procurement Unit supports the recommendation outlined in the report. The procurement process has been carried out in line with the Council's Contract Procedure Rules and the Find a Tender notice was issued in line with PCR 2015. Following an open tender process on find my tender two bids were received, scores can be seen below:

	Technical Capacity	Social Value	Total
<b>Bidder A DePaul UK</b>	<b>56.00</b>	<b>8.44</b>	<b>64.44%</b>
Bidder B	44.00	5.28	49.28%

The evaluation was undertaken by Fiona Carr (Principal Homelessness Strategy Officer), Moira Fields (Senior Housing Needs Officer), Ijaz Khan (Housing Pathway Advisor) and Emma Wall (Category Manager Procurement)

Following the evaluation process DePaul UK was identified as the bidder presenting the most economically advantageous tender and resulting in a high-quality service provider being identified to achieve the desired outcomes. (Emma Wall)

*What are the **legal** implications?*

A tendering exercise has been undertaken in accordance with the Contract Procedure Rules. The initial contract term is to run until 31<sup>st</sup> March 2023 with the option to extend by up to a year until 31<sup>st</sup> March 2024 and then again until 31<sup>st</sup> March 2025, which means that in the event of any funding gap, for year 2 and/or 3, the Council is not committed to procure the service (Mark Hope)

*What are the **Human Resources** implications?*

There are no staffing implications with this proposal as the service is being managed externally.  
Adele Savage, HR Advisory Operations Manager

***Equality and Diversity Impact Assessment** attached or not required because (please give reason)*

N/A – no change to service

*What are the **property** implications*

N/A – no change to provision

**Risks:**

The report sets out how the Council will deliver this initiative. The risk for future years is that the estimated level of financial support from the GMCA reduces leaving the Council a contractual commitment which has to be financed from its own Resources in either 2023/24 or 2024/25. (Mark Stenson)

**Co-operative agenda**

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

- Fairness: ABEN will ensure rough sleepers have access to accommodation, regardless of statutory obligations.

- Openness: ABEN will be well publicised across GM, 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.

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution? Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget? Yes

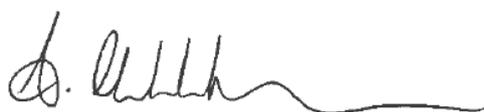
Are any of the recommendations within this report contrary to the Policy Framework of the Council? No

**List of Background Papers under Section 100D of the Local Government Act 1972:**

Title	Available from
ABEN Phase 5 Procurement	Cabinet meeting, 17 <sup>th</sup> June 2022

<b>Report Author Sign-off:</b>	
Fiona Carr	Principal Homelessness Strategy Officer
<b>Date:</b>	14/07/2022

Report approval



Date: 27 July 2022

In consultation with



(Executive Director)

Date: 26.07.2022