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PART B - Report to CABINET 20th October 2025

Extend the contract term for delivery of Accommodation Based Services for 12 months until 31st March 2027

Portfolio Holder: Cllr Elaine Taylor - Statutory Deputy Leader and Cabinet Member for Neighbourhoods

Officer Contact: Neil Consterdine – Director of Communities

Report Author : Simon Shuttleworth – Service Manager for Strategic Housing Recovery

Reason for Decision

To extend the contract term of each of the 3 contracts referenced in this report, in accordance with the terms and conditions of each contract for the period 1st April 2026 to 31st March 2027

Executive Summary

The Council is party to three separate contracts for the delivery of Accommodation Based Services. The initial term of each contract ended on 31st March 2025, and was extended to 31st March 2026, at the same time as responsibility and budget for these contracts passed from Adult Social Care to Housing needs. There is provision within each contract to extend the term for a further 12 months. This report proposes enacting that extension.

Recommendations

- **Approve** a one year extension to the contract term in respect of those contracts referenced in this report, each of which relates to the delivery of Accommodation Based Services, noting that this is within the delegated authority of the Director of Adult Social Services in consultation with the Lead Member for Adult Health and Social Care
- **Approve** the transfer of delegated authority relating to these contracts from the Director of Adult Social Services (in consultation with the Lead Member for Adult Health and Social Care) to the Deputy Chief Executive (Place), in consultation with the Cabinet Member for Neighbourhoods. This is in recognition of the previous transfer of these contracts from Adult Social Care to Housing Needs.

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PART B - Extend the contract term for delivery of Accommodation Based Services for 12 months until 31st March 2027

1. Background

- 1.1 Oldham Council currently commissions two external providers to deliver three accommodation-based services, detailed below:

Lot 1, Generic Service	Regenda Limited (subcontracted to Petrus)
Lot 2, Young Peoples Service	Depaul UK
Lot 3, Women's Service	Regenda Limited (subcontracted to Safenet)

- 1.2 Accommodation based services provide short term supported housing for vulnerable and socially excluded people who are homeless/have experienced a housing related crisis. Historically, the services were funded through the Supporting People grant but were mainstreamed to Adult Social Care when this ended.
- 1.3 The aim of each commissioned service is to provide service users with a period of stabilisation, enabling them to successfully move on and establish and sustain independent living. Each commissioned service must therefore meet the short-term housing and support needs of service users whilst also maximizing sustained planned moves and throughput from the Service.
- 1.4 Following a tender process in 2021, Oldham Council awarded a contract for the Provision of Housing Related Support: Short-Term Accommodation-Based Service for three (3) years with an option to extend up to a further two (2) years, to the suppliers named below.

Lots 1, Generic Service	Regenda Limited (sub contracted to Petrus)
Lot 2, Young Peoples Service	Depaul UK
Lot 3, Women's Service	Regenda Limited (sub contracted to Safenet)

- 1.5 In March 2025, Cabinet agreed to an initial 12- month extension to the original 3 year term, at the same time agreeing to transfer the budget and responsibility for these contracts from Adult Social Care to Housing Needs.

Contract Duration and Extension

- 1.6 Each contract let for each of the 3 lots had an initial contract term of 3 years from 1 April 2022. Clause 4.3 of the contracts allows for that initial term to be extended once for up to 2 years on no less than 6 months' written notice to the appointed providers.
- 1.7 Earlier this year, Government closed consultation on the implementation of the Supported Housing (Regulatory Oversight) Act 2023, and we are awaiting the outcome of this exercise. Rather than review these contracts at this point, it is therefore proposed that the contracts are extended for 1 year from 1 April 2026 to 31 March 2027. This will allow any new commissioning exercise to take into account these upcoming changes in regulatory frameworks.

2 Current Position

- 2.1 The contracts for Lots 1 and 3 are with Regenda Housing, however, Regenda have then sub-contracted service delivery of these Lots to Safenet and Petrus respectively. If Regenda intends to carry out complying with the contracts for lots 1 & 3 by sub-contracting the service delivery, it will be the responsibility of Regenda to extend their sub-contracts.
- 2.2 The total value of the three service areas for 2025/06 is £1,048,432.90.
- 2.3 Agreed at point of tender, the contract extension period includes an inflationary increase to the annual cost of some services. (For 25/26, a small uplift was separately agreed, in recognition of exceptional cost pressures).

Lot	Pathway	Provider	25/26value	26/27 value
1	Generic Service	Regenda Limited	388,405	395,422
2	Young Peoples Service	Depaul UK	343,820	350,067
3	Women's Service	Regenda Limited	316,207.90	316,207.90
TOTAL			£1,048,432.90	£1,061,696.90

- 2.4 These contracts were originally procured through the Chest portal (DN558663) using an Open procedure, and both the original DDR and the contract allow for it to be extended for up to 2 years. As noted, the option for the first of these years was exercised in March 2025.
- 2.5 **Procurement feedback:**
2.5.1. Procurement Implications

2.5.1.1 Lots 1 & 3 are with Regenda Limited (although both are subcontracted) and Lot 2 is with Depaul UK. This was originally procured through the Chest portal (DN558663) using an Open procedure, and both the original DDR and the contract allow for it to be extended for up to 2 years. This is covered in Clause 4.3 of the

contract “The Council may, by giving written notice to the service provider not less than six (6) month(s) before the last day of the Initial Contract Period, extend the Contract Period for any further period or periods of up to two years, provided that the total Contract Period does not exceed five (5) years.” This would mean extending the agreement before the 3rd November 2025 (based on expiry date of 3rd April 2026) for the council to have the right to extend the agreement. Any extension after that date require both parties to be in agreement for an extension.

As a 12 month extension has previously been agreed, a further extension up to 3rd April 2027 with the agreement of the relevant supplier would be compliant.

Angela Porter (Procurement)

3 Options/Alternatives

- 3.1 The options for this report have been detailed under each of the decisions and assessed accordingly. The table below outlines the position, the position and any risks and the preferred option.

Decision	Contract Extension - To extend the term of each contract from the 1st of April 2026 to 31st March 2027 in accordance with clause 4.3 of the contract.
Option 1	To de-commission the services with Regenda and DePaul and cease delivery of Accommodation based service.
Position	This option is not viable. The services currently support vulnerable adults and young people. Without these services, the Council would need to find alternative support and accommodation for each of the service users. There is also a significant pressure on housing at the moment and a need to retain temporary accommodation options. Ceasing the funding for these services would likely result in an increase the number of people becoming homeless as a result, which is not appropriate.
Option 2	<p>To extend the current contract arrangements for delivery of the three Accommodation Based Services currently commissioned through Regenda and De Paul to 31st March 2027</p> <p>Also to approve the transfer of delegated authority relating to these contracts from the Director of Adult Social Services (in consultation with the Lead Member for Adult Health and Social Care) to the Deputy Chief Executive (Place), in consultation with the Cabinet Member for Growth. This is in recognition of the previous transfer of these contracts from Adult Social Care to Housing Needs.</p>
Position	This option would allow the services to continue and provide time for a holistic review of the provision as part of the wider review required

	around supported accommodation in the Borough. This will allow us to confirm future requirements and commissioning intent, in line with the Council's wider housing priorities.
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4 **Preferred Option**

- 4.1 The preferred option is Option 2: To extend the current contract arrangements for delivery of the three Accommodation Based Services currently commissioned through Regenda and De Paul to 31st March 2027.

Also to approve the transfer of delegated authority relating to these contracts from the Director of Adult Social Services (in consultation with the Lead Member for Adult Health and Social Care) to the Deputy Chief Executive (Place), in consultation with the Cabinet Member for Neighbourhoods. This is in recognition of the previous transfer of these contracts from Adult Social Care to Housing Needs.

5 **Consultation**

- 5.1 Cllr Elaine Taylor (portfolio holder)
- 5.2 Communication has also been shared with the relevant providers for each of the Lots detailed above.

6 **Financial Implications**

- 6.1 The 2026/27 cumulative estimated costs for the three Accommodation Based Service contracts within Housing is £1,061,696.90.
- 6.2 There is sufficient budget provision within the 2026 base budget for Homelessness (cost centre 50500) to fully fund these estimated contract costs.

(John Hoskins)

7 **Legal Implications**

- 7.1 Each of the 3 contracts was tendered in accordance with the relevant procurement rules. The term of each contract was advertised as 3 years with the ability for the Council to extend the term for no more than a further 2 years in accordance with clause 4.3 of each contract. The Council can, at its discretion, extend the term for less than 2 years. A 12 month extension was previously enacted. Therefore, the proposal to extend the term for a further 1 year, from 1 April 2026 to 31 March 2027 is in line with the terms and conditions of each of the 3 contracts.
- 7.2 The contracts require no less than 6 months' notice of extension; however, it is within the gift of each service provider to accept less notice. This will be discussed with the service providers, should formal contract extension fall within the 6 month notice period.
- 7.3 No formal modification is required to any of the 3 contracts to extend the term of each for 1 year; however, if this were considered to be a modification governed by regulation 72 of the Public Contracts Regulations 2015 (PCR) then regulation 72(1)(a) would apply on the basis

that the extension formed part of the advertised offer and has been unequivocally built into each of the contracts.

- 7.4 Therefore, there are no known legal implications in respect of the proposed contract extensions unless it is now possible to progress the extension of the contract prior to the 6 month notice period, and either of the providers does not give their consent to accept less than 6 months' written notice. In that case, it would not be possible to extend the affected contract(s).

Michael Grocott (Solicitor – Commercial Contracts)

8 **Equality Impact, including implications for Children and Young People**

- 8.1 No, but will be considered as part of the review for future commissioning arrangements.

9 **Key Decision**

- 9.1 Yes

10 **Key Decision Reference**

- 11.1 HL-05-25

12 **Background Papers**

- 12.1 N/A

13 **Appendices**

- 13.1 Housing Related Support Cabinet Report December 2021.



HRS report.pdf

- 13.2 Cabinet Report confirming initial extension of contract, and transfer to Housing needs, March 2025



Part A - Cabinet
Report - ABS - 03-03