



# CABINET PROCUREMENT COMMITTEE

Monday, 7th October, 2019

at 6.00 pm

Room 102, Hackney Town Hall, Mare Street, London E8 1EA

**Members:** Councillor Rebecca Rennison Cabinet Member for Finance and Housing Needs  
Deputy Mayor Anntoinette Bramble Deputy Mayor and Cabinet Member for Education, Young People and Children's Social Care  
Cllr Jon Burke Cabinet Member for Energy, Waste, Transport and Public Realm  
Cllr Caroline Selman Cabinet Member for Community Safety, Policy and the Voluntary Sector

**Substitute Member** Mayor Philip Glanville

**TIM SHIELDS**  
Chief Executive

Contact: Clifford Hart  
Governance Services Officer  
Tel: 020 8356 3597  
[clifford.hart@hackney.gov.uk](mailto:clifford.hart@hackney.gov.uk)

27 September 2019

The press and public are welcome to attend this meeting

# AGENDA

## Monday, 7th October, 2019

### ORDER OF BUSINESS

<b>1</b>	<b>Apologies for absence</b>	
	<b>Urgent Business</b>	
<b>2</b>	The Chair will consider the admission of any late items of Urgent Business. Late items of Urgent Business will be considered under the agenda item where they appear. New items of unrestricted urgent business will be dealt with under Item 10 below. New items of exempt urgent business will be dealt with at Item 18 below.	
	<b>Declarations of Interest - Members to declare as appropriate</b>	

<p><b>3</b></p>	<p>A Member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:</p> <p>(i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and  (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.</p> <p>A Member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.</p> <p>Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 8.1-15.2 of Section Two of Part 5 of the Constitution and Appendix A of the Members' Code of Conduct.</p> <p>A Member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:</p> <p>(i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and  (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.</p> <p>A Member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.</p> <p>Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 8.1-15.2 of Section Two of Part 5 of the Constitution and Appendix A of the Members' Code of Conduct.</p>	
	<p><b>Notice of intention to conduct business in private, any representation received and the response to any such representations</b></p>	

4	<p>On occasions part of the Cabinet Procurement Committee meeting will be held in private and will not be open to the public if an item is being considered that is likely to lead to the disclosure of exempt or confidential information. In accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 (the "Regulations"), members of the public can make representations about why that part of the meeting should be open to the public.</p> <p>This agenda contains exempt items as set out at Items 13, 14, 15, 16 and 17:</p> <p>No representations with regard to these have been received.</p> <p>This is the formal 5 clear day notice under the Regulations to confirm that this Cabinet Procurement Committee meeting will be partly held in private for the reasons set out in this Agenda. Information) (England) Regulations 2012 (the "Regulations"), members of the public can make representations about why that part of the meeting should be open to the public.</p>	
5	<b>Deputuations/Petitions/Questions</b>	
	<b>Unrestricted minutes of the previous meeting of Cabinet Procurement Committee held on 9 September 2019</b>	
6	To confirm the unrestricted minutes of the meeting of Cabinet Procurement Committee held on 9 September 2019.	<b>(Pages 1 - 14)</b>
	<b>Housing First Contract Award Report - Key Decision No. CACH Q11</b>	
7	This report seeks approval to award a contract for an integrated housing related support service in the London Borough of Hackney and City of London.	<b>(Pages 15 - 30)</b>
	<b>Re-Tender of Adults Learning Disabilities Supported Living Scheme at Homer And Wick Roads - Key Decision NO. CACH Q21</b>	

8	This report proposes the award of contract to a single organisation for the continued provision of Adults Learning Disabilities Supported Living Schemes at Homer and Wick Roads. The schemes will provide services for a group of vulnerable residents with complex needs in the London Borough of Hackney, helping them to maintain independent living arrangements, and avoiding the use of residential placements outside of the borough.	<b>(Pages 31 - 54)</b>
	<b>Delegated Authority report Information Item residential contract award</b>	
9	The proposal in this report sets out an exciting opportunity to join with seven London Boroughs to jointly commission local residential provision for Looked after Children. This initiative would make a significant difference in the way that children and young people experience residential care. Currently most children who, because of their needs, require a placement within a specialist provision such as a residential children's home, are placed at a considerable distance from home.	<b>(Pages 55 - 74)</b>
10	<b>Any other Unrestricted Business the Chair considers to be urgent</b>	
	<b>Date of future meetings</b>	
11	Meetings will be held at 5.00pm on: 4 November 2019 2 December 2019 13 January 2020 10 February 2020 11 March 2020 6 April 2020 11 May 2020 – new meeting	
	<b>Exclusion of the public and press</b>	
12	Note from the Governance Services Manager  Items 13 – 16 allows for the consideration of exempt information in relation to items 7 -9 respectively. Item 17 is wholly exempt and does not have an unrestricted item.  Proposed resolution:  THAT the press and public be excluded from the proceedings of the Cabinet Procurement Committee during consideration of Exempt items x-x on the agenda on the grounds that it is likely, in the view of the nature of the business to be transacted, that were members of the public to be present, there would be disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972 as amended.	
	<b>Exempt Minutes of the previous meeting of Cabinet Procurement Committee held on 9 September 2019</b>	

13	To confirm the exempt minutes of the meeting of Cabinet Procurement Committee held on 9 September 2019.	(Pages 75 - 80)
	<b>Housing First Contract Award Report - key Decision No. CACH Q11</b>	
14	Item 7 refers  Appendix A is exempt from publication under para 3, Part 1, Schedule 12a of the Local Government Act 1972 (as amended).	(Pages 81 - 82)
	<b>Re-Tender of Adults Learning Disabilities Supported Living Scheme at Homer And Wick Roads - Key Decision NO. CACH Q21</b>	
15	Item 8 refers  Appendix 2 is exempt from publication under para 3, Part 1, Schedule 12a of the Local Government Act 1972 (as amended).	(Pages 83 - 90)
	<b>Delegated Authority report Information Item residential contract award</b>	
16	Item 9 refers  Appendix 1A is exempt from publication under para 3, Part 1, Schedule 12a of the Local Government Act 1972 (as amended).	(Pages 91 - 92)
	<b>Information Item - briefing on Hackney Young Carers Project (HYCP)</b>	
17	This item is exempt from publication under para 3, Part 1, Schedule 12a of the Local Government Act 1972 (as amended).	(Pages 93 - 110)
18	<b>Any other Exempt Business the Chair considers to be urgent</b>	

## Access and Information

### Location

Hackney Town Hall is on Mare Street, bordered by Wilton Way and Reading Lane.

**Trains** – Hackney Central Station (London Overground) – Turn right on leaving the station, turn right again at the traffic lights into Mare Street, walk 200 metres and look for the Hackney Town Hall, almost next to The Empire immediately after Wilton Way.

**Buses** 30, 48, 55, 106, 236, 254, 277, 394, D6 and W15.

### Facilities

There are public toilets available, with wheelchair access, on the ground floor of the Town Hall.

Induction loop facilities are available in the Assembly Halls, rooms 101, 102 & 103 and the Council Chamber.

Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

### Copies of the Agenda

The Hackney website contains a full database of meeting agendas, reports and minutes. Log on at: [www.hackney.gov.uk](http://www.hackney.gov.uk)

Paper copies are also available from Governance Services whose contact details are shown on the front of the agenda.

### Council & Democracy- [www.hackney.gov.uk](http://www.hackney.gov.uk)

The Council & Democracy section of the Hackney Council website contains details about the democratic process at Hackney, including:

- Mayor of Hackney
- Your Councillors
- Cabinet
- Speaker
- MPs, MEPs and GLA
- Committee Reports
- Council Meetings
- Executive Meetings & Key Decisions Notice
- Register to Vote
- Introduction to the Council
- Council Departments

## DEMOCRATIC PROCESS

### Rights of Press and Public to Report on Meetings

Where a meeting of the Council and its committees are open to the public, the press and public are welcome to report on meetings of the Council and its committees, through any audio, visual or written methods and may use digital and social media providing they do not disturb the conduct of the meeting and providing that the person reporting or providing the commentary is present at the meeting.

Those wishing to film, photograph or audio record a meeting are asked to notify the Council's Monitoring Officer by noon on the day of the meeting, if possible, or any time prior to the start of the meeting or notify the Chair at the start of the meeting.

The Monitoring Officer, or the Chair of the meeting, may designate a set area from which all recording must take place at a meeting.

The Council will endeavour to provide reasonable space and seating to view, hear and record the meeting. If those intending to record a meeting require any other reasonable facilities, notice should be given to the Monitoring Officer in advance of the meeting and will only be provided if practicable to do so.

The Chair shall have discretion to regulate the behaviour of all those present recording a meeting in the interests of the efficient conduct of the meeting. Anyone acting in a disruptive manner may be required by the Chair to cease recording or may be excluded from the meeting. Disruptive behaviour may include: moving from any designated recording area; causing excessive noise; intrusive lighting; interrupting the meeting; or filming members of the public who have asked not to be filmed.

All those visually recording a meeting are requested to only focus on recording councillors, officers and the public who are directly involved in the conduct of the meeting. The Chair of the meeting will ask any members of the public present if they have objections to being visually recorded. Those visually recording a meeting are asked to respect the wishes of those who do not wish to be filmed or photographed. Failure by someone recording a meeting to respect the wishes of those who do not wish to be filmed and photographed may result in the Chair instructing them to cease recording or in their exclusion from the meeting.

If a meeting passes a motion to exclude the press and public then in order to consider confidential or exempt information, all recording must cease and all recording equipment must be removed from the meeting room. The press and public are not permitted to use any means which might enable them to see or hear the proceedings whilst they are excluded from a meeting and confidential or exempt information is under consideration.

Providing oral commentary during a meeting is not permitted.

### Representation



Contact details for all Councillors are available on the website or by calling 020 8356 3207.

Ward Councillors may be contacted at their surgeries or at the Town Hall (020 8356 3207).

You may also write to any Councillor or a member of the Cabinet c/o Hackney Town Hall, Mare Street, London E8 1EA.

### Scrutiny Procedures

Details are listed in Part 4 of the Council's constitution, see the website for more details or contact Overview and Scrutiny on 020 8356 3029

### Executive Meetings and Key Decisions Notice

The procedure for taking Key Decisions is listed in Part 4 of the Council's Constitution, available on the website ([www.hackney.gov.uk](http://www.hackney.gov.uk)).

The Executive Meetings and Key Decisions Notice showing Key Decisions to be taken is available on the Council's website. If you would like to receive a paper copy please contact Governance Services (Tel: 020 8356 3302). Or email: [governance@hackney.gov.uk](mailto:governance@hackney.gov.uk)

### Emergency Procedures

In case of fire or any other emergency the Head of Governance Services or his/her nominated officer will ensure orderly evacuation of all those present in the meeting room. All Members Officers and members of the public should proceed without delay to the assembly meeting point near the car park at the back of the Town Hall where the nominated officer will conduct a count of all who have been evacuated to ensure that all are safe.

### Advice To Members And Officers On Handling Exempt Papers

- Do not photocopy
- Store securely for as long as you hold it
- All papers can be given to Governance Services Officers who will dispose of them appropriately and arrange for them to be recycled
- Note that copies of all exempt papers are held by Governance Services staff.

### Public Involvement

The public have the right to ask questions or submit petitions or deputations to Cabinet Procurement Committee meetings.

Contact Governance Services (Tel: 020 8356 3432) for further information on how this can be arranged. Or email: [governance@hackney.gov.uk](mailto:governance@hackney.gov.uk)

Further information can also be found within Part 4 of the Council's Constitution (which can be seen on the website [www.hackney.gov.uk](http://www.hackney.gov.uk) at this link) –

<http://mginternet.hackney.gov.uk/documents/s36746/4.4%20->

## ADVICE TO MEMBERS ON DECLARING INTERESTS

Hackney Council's Code of Conduct applies to **all** Members of the Council, the Mayor and co-opted Members.

This note is intended to provide general guidance for Members on declaring interests. However, you may need to obtain specific advice on whether you have an interest in a particular matter. If you need advice, you can contact:

- The Interim Director of Legal;
- The Legal Adviser to the committee; or
- Governance Services.

If at all possible, you should try to identify any potential interest you may have before the meeting so that you and the person you ask for advice can fully consider all the circumstances before reaching a conclusion on what action you should take.

### 1. Do you have a disclosable pecuniary interest in any matter on the agenda or which is being considered at the meeting?

You will have a disclosable pecuniary interest in a matter if it:

- relates to an interest that you have already registered in Parts A and C of the Register of Pecuniary Interests of you or your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner;
- relates to an interest that should be registered in Parts A and C of the Register of Pecuniary Interests of your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner, but you have not yet done so; or
- affects your well-being or financial position or that of your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner.

### 2. If you have a disclosable pecuniary interest in an item on the agenda you must:

- Declare the existence and nature of the interest (in relation to the relevant agenda item) as soon as it becomes apparent to you (subject to the rules regarding sensitive interests).
- You must leave the room when the item in which you have an interest is being discussed. You cannot stay in the meeting room or public gallery whilst discussion of the item takes place and you cannot vote on the matter. In addition, you must not seek to improperly influence the decision.
- If you have, however, obtained dispensation from the Monitoring Officer or Standards Committee you may remain in the room and participate in the meeting. If dispensation has been granted it will stipulate the extent of your involvement, such as whether you can only be present to make representations, provide evidence or whether you are able to fully participate and vote on the matter in which you have a pecuniary interest.

### 3. Do you have any other non-pecuniary interest on any matter on the agenda which is being considered at the meeting?

You will have 'other non-pecuniary interest' in a matter if:

- i. It relates to an external body that you have been appointed to as a Member or in another capacity; or
- ii. It relates to an organisation or individual which you have actively engaged in supporting.

### 4. If you have other non-pecuniary interest in an item on the agenda you must:

- i. Declare the existence and nature of the interest (in relation to the relevant agenda item) as soon as it becomes apparent to you.
- ii. You may remain in the room, participate in any discussion or vote provided that contractual, financial, consent, permission or licence matters are not under consideration relating to the item in which you have an interest.
- iii. If you have an interest in a contractual, financial, consent, permission or licence matter under consideration, you must leave the room unless you have obtained a dispensation from the Monitoring Officer or Standards Committee. You cannot stay in the room or public gallery whilst discussion of the item takes place and you cannot vote on the matter. In addition, you must not seek to improperly influence the decision. Where members of the public are allowed to make representations, or to give evidence or answer questions about the matter you may, with the permission of the meeting, speak on a matter then leave the room. Once you have finished making your representation, you must leave the room whilst the matter is being discussed.
- iv. If you have been granted dispensation, in accordance with the Council's dispensation procedure you may remain in the room. If dispensation has been granted it will stipulate the extent of your involvement, such as whether you can only be present to make representations, provide evidence or whether you are able to fully participate and vote on the matter in which you have a non pecuniary interest.

### Further Information

Advice can be obtained from Suki Binjal, Director of Legal and Governance on 020 8356 6234 or email: [suki.binjal@hackney.gov.uk](mailto:suki.binjal@hackney.gov.uk)



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## UNRESTRICTED MINUTES OF A MEETING OF THE CABINET PROCUREMENT COMMITTEE

**MONDAY, 9TH SEPTEMBER, 2019**

<b>Chair</b>	<b>Councillor Rebecca Rennison in the Chair</b>
<b>Councillors Present:</b>	<b>Councillors Cllr Jon Burke and Cllr Caroline Selman</b>
<b>Apologies:</b>	<b>Deputy Mayor Anntoinette Bramble</b>
<b>Officers in Attendance</b>	<b>Mr Rotimi Ajilore – Head of Procurement Ms Zainab Jalal – Category Lead Social Care Ms Susan Carran - Category Lead (Corporate Services), Finance &amp; Corporate Resources Ms Karen Tait-Lane - Category Lead (Construction &amp; Environment) Mr Patrick Rodger – Senior Lawyer – Procurement Mr Matt Clack – Public Health Strategist – Children, Adults &amp; Community Health (CA&amp;CH) Ms Amy Harmsworth - Public Health Strategist – (CA&amp;CH) Mr Mark Mulvenna – Contracts &amp; Commissioning Officer (CA&amp;CH) Ms Jade Mercieca – Contracts &amp; Commissioning Officer (CA&amp;CH) Mr Norman Harding Ms Anisah Hilali – Paralegal – CE Services Ms Mary Aladegbola - Energy Manager, Finance and Resources Mr Sam Parry - Corporate Fleet Manager Mr Clifford Hart – Governance Services Officer</b>

### 1 Apologies for Absence

At 19.00hrs, in the absence of the Chair (Councillor Rennison) the Clerk to the proceedings sought a nomination for the Chair of the meeting for either the duration of the proceedings or until the Chair arrived.

Councillor Burke nominated Councillor Selman.

There being no other nominations Councillor Selman took the Chair nemine contradicente..

**NOTED**

**COUNCILLOR SELMAN IN THE CHAIR**

An apology for absence was received on behalf of Deputy Mayor Bramble, and for lateness from Councillor Rennison.

**NOTED**

**2** Urgent Business

There were no items of urgent business.

**NOTED**

**3** Declarations of Interest - Members to declare as appropriate

There were no declarations of interests.

**NOTED**

**4** Notice of Intention to Conduct Business in Private any Representation Received and the Response to any such Representations

There were no representations received.

**NOTED**

**5** Deputations/Petitions/Questions

There were no deputations, petitions, or questions.

**NOTED**

**6** Unrestricted Minutes of the Previous Meeting of Cabinet Procurement Committee held on 8 July 2019

**RESOLVED**

**That the unrestricted minutes of the Cabinet Procurement Committee held on 8 July 2019 be confirmed as an accurate record of the proceedings.**

At this point in the proceedings the Chair advised that the order of business on the agenda would be varied to next consider Item 9, and this agreed nemine contradicente.

**7** Information Report- Renewal of Gas & Electricity Supply Contracts - Renewal of Gas & Electricity Supply

**RESOLVED**

**that the outcome of the purchasing arrangements for the renewal of Gas & Electricity Supply Contracts which placed Supply contracts with the Energy companies be noted as detailed in i, ii, and iii below, and that it be further noted that the indicative aggregate cost impact for Hackney, including Housing and Schools, from the tender awards would be a 15% increase year on year, but that the actual impact would be monitored via OFP:**

- i. The Half Hourly and Unmetered Electricity Supply contract awarded to Supplier A as detailed in exempt Appendix 1 of the report, estimated contract values of £2,146k and £ 830k respectively;**

- ii. **The Non-Half Hourly Electricity Supply contract awarded to Supplier B as detailed in exempt Appendix 1, at an estimated contract value of £ 4,119k.**
- iii. **The Gas Supply contract is awarded to Supplier C as detailed in exempt Appendix 1, at an estimated contract value of £ 2,610k.**

## **RELATED DECISIONS**

Cabinet Procurement Committee approved the Business Case report in its meeting of the 15th March 2016. The report recommended the appointment of the Crown Commercial Service as the energy purchasing agent for the Council and also for the Group Director of Finance and Corporate Resources to engage the service provider for future years' purchases

## **REASONS FOR DECISION/OPTIONS APPRAISAL**

This report provides Cabinet Procurement Committee with the results of the "risk managed flexible purchasing" exercise carried out on behalf of the Council by Crown Commercial Service (CCS) between Oct 2018 and March 2019 for all gas and large electricity supplies (Half Hourly including public street lighting) to secure a twelve month contract.

The report also provides the outcome of the purchase carried out by CCS who were also appointed to purchase the Council's small electricity supplies (NHH supplies) based on the delegated authority provided by Cabinet Procurement Committee to the Group Director of Finance and Corporate Resources in March 2013.

The current contract prices for all supplies include those large (HH) Half Hourly electricity supplies including Unmetered (UMS) public street lighting, all gas and small (NHH) Non-Half Hourly electricity supplies for the year commencing 1st April 2019 to 31st March 2020 were presented to the Council during April and May 2020.

This year's contracted prices (pence per unit) for the NHH electricity supplies are estimated at 19% higher than last year's prices. Increases in energy prices are due to a number of reasons. The increase in this cost is quoted by the suppliers as due to factors including an increase to 3rd party costs, commodity rates, renewable levies as well as transmission and distribution costs.

Contracted gas prices (pence per unit) are estimated at 28% higher than last year's prices. Gas prices has been impacted by concerns about nuclear availability, gas storage, and declining European gas production. Since the start of the winter, prices have fallen on the back of mild weather and a significant increase in deliveries of liquefied gas into Europe.

Large electricity supply prices have increased by an estimated 2% for both the Half Hourly (HH) and Unmetered (UMS) supplies. As with the NHH supplies, this is due to Non Electricity Costs which the government levies on supplies to help incentivise the low-carbon economy, as well as the cost of delivering the electricity.

For this year's supplies, the electricity contract was procured with 50% of its volume from primary "standard" electricity generation and an average 50% of electricity from renewable sources. The total premium on the renewable electricity is £7,680 at £0.30/MWh

The contracts for all supplies is for a twelve month period commencing from April 2019 to March 2020.

The Council will continue working with the CCS framework for the 2020/21 Energy Procurement exercise. We will also seek to secure a higher proportion of renewable energy within our contracts. The Council will be able to secure 100% REGO certificated electricity supply through the CCS arrangement. The additional premium for BG supplies is quoted at

**Monday, 9th September, 2019**

0.11p/kWh and 0.03p/kWh for the EDF supplies. The estimated total cost is circa £39,000 based on the 2017/18 electricity consumption at 49,295MWh. The Council will also explore the Energy Market to appraise how it can procure 100% Renewable Electricity through PPA agreements.

#### **ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)**

Previous Business Case reports and in particular the one considered and approved by Cabinet Procurement Committee in March 2016 detailed the options available to the Council for procuring its energy supplies contracts. The risk managed flexible purchasing of energy in advance of contract start date was and is still preferred to other types of purchasing arrangements.

**At this point in the proceedings the Chair varied the order of business to next consider Exempt Item 17 and this was agreed nemine contradicente.**

#### **NOTED**

- 8 Exclusion of the Public and Press

#### **RESOLVED**

**That the press and public be excluded from the proceedings of the Cabinet Procurement Committee during consideration of Exempt item 17 on the agenda on the grounds that it is likely, in the view of the nature of the business to be transacted, that were members of the public to be present, there would be disclosure of exempt information as defined in para 3 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended.**

#### **SUMMARY OF EXEMPT/CONFIDENTIAL PROCEEDINGS**

- 9 Delegated authority notification - Provision of Vehicle Maintenance Services

**AGREED to note the delegated authority notification in respect of the provision of Vehicle Maintenance Services.**

- 10 REINCLUSION OF THE PUBLIC AND PRESS

The Chair moved and it was agreed nemine contradicente that the public and public be readmitted into the proceedings.

#### **NOTED**

- 11 General Exception - Contract Award Report for Clissold House Cafe

**At this point in the proceedings Councillor Selman relinquished and Councillor Rennison took the Chair, having arrived at 18.15hrs during discussion of the previous item.**

#### **COUNCILLOR RENNISON IN THE CHAIR**

The Chair asked for an introduction to the report. The Chair also advised that this report was being considered under General Exception procedures in accordance with the rules set out in the Council's constitution.



**Monday, 9th September, 2019**

The Parks Development Manager – Mr Sam Parry advised the Committee that Hackney Council was currently seeking a new cafe operator for Clissold House and Park. Clissold House and Park were renovated in 2011 as part of an £8.9 million Heritage Lottery Fund restoration project. Clissold House is a Grade II\* listed building in the middle of Clissold Park that hosts community bookings, weddings, meetings and parties. The renovated café re-opened in 2012, and occupied part of the ground and first floor of Clissold House. It benefitted from outdoor seating and a pleasant landscape setting, with the children's playground, animal enclosure and tennis courts in close proximity.

Mr Parry further commented that as well as being a popular destination for park users, the cafe contributed income to the Parks and Green Spaces Service, helping to pay for the maintenance of Clissold Park and other green spaces across Hackney. The new café concession contract would contribute £50,000 a year to the Libraries, Leisure and Green Spaces Service's budget, from a base rent charged to the cafe operator. There would also be a profit sharing element within the new contract, based on a percentage of annual turnover over £500,000, which would contribute further to the Service's budgets.

Mr Parry further commented that the contract with the current service provider ended in October 2019, and a new operator was required to run the cafe from November 2019 for a period of five years. An Invitation to Tender was advertised in May 2019, with 4 operators expressing an interest in the opportunity. Following a competitive procurement exercise, it was recommended that the contract is awarded to Provider C (as detailed in the exempt appendix to the report) for five years.

The Chair thanked Mr Parry for his informative introduction and asked if there were any questions from Members.

Councillor Burke referred to the recently declared climate emergency and asked if these related carbon reductions could be included in the next contract. Councillor Burke also asked how would officers work with the successful company on further sustainability measures.

In response Mr Parry advised that in respect of the related carbon reductions issue these would be included within the next contract. In respect of working with the successful company on further sustainability measures Mr Parry advised that sustainability answers outlined by the successful tenderer should be seen as initial proposals. The successful bidder had committed to working with the Council on further sustainability matters going forward, and a review of such initiatives such as the use of compostable products and elimination of single use plastics, was planned.

The Chair expressed disappointment that the CPC had not had a chance to review the business case for the procurement exercise and that it was potentially a missed opportunity for bringing the service in house.

The Chair asked if it was possible for the successful bidder's business plan to be shared. Mr Parry advised that officers would be happy to share this subject to clarification that this would be permissible.

Councillor Selman sought clarification as regards any measure being taken by officers to promote local employment, e.g. by working with 'Hackney Works'?

Mr Parry responded that Hackney Council worked with the current provider on employment initiatives. As a result of introducing the current operator to the 'Ways into Work' team, they employed a local female cook, who was still working in the cafe to this day. There would be similar introductions made to the new operator, and they would be encouraged to work closely with 'Hackney Works' team on any future employment opportunities.

The Chair sought clarification as to how Hackney would ensure that the new operator would achieve its predicted success.

In response Mr Parry advised that officers met with the cafe operator at regular contract monitoring meetings. At these meetings there was a review of the success of the cafe, reviewing profit, loss and customer feedback. Officers would also suggest changes to the operations based on the feedback that had receive from the Park User Group.

In response to a further point of clarification from Cllr Burke as to how it would be ensured that the cafe was affordable for local people, Mr Parry advised that a key function of the cafe was to generate income to help pay for the maintenance of Hackney's parks, and the operator should be supported to do so. Affordability was also a key factor, however, and was a question asked of operators during the tender process. The previous operator offered a number of 'standard items' on their menu at an affordable price (e.g. a mug of tea and a bacon sandwich). The new operator had offered to do the same, as well as offering cheaper versions of some menu items.

In response to a further clarification from the Chair, as to if officers could confirm that the new operator would pay Hackney Council a percentage of profit rather than turnover, Mr Parry confirmed that this would indeed be profit.

There being no further points of clarification, on a MOTION by the Chair it was:

### **RESOLVED**

That approval be given to the award of the Concession Contract for Clissold House and Park Cafe to Provider C, as detailed in Table 1 of Exempt Appendix One to the report, for a period of five years commencing in November 2019.

### **RELATED DECISIONS**

A Low Risk Business Case requesting approval to carry out the procurement process was signed by the Group Director for Neighbourhoods and Housing on 18 April 2019.

### **REASONS FOR DECISION/OPTIONS APPRAISAL.**

One of Hackney's best loved parks, Clissold Park, was opened in 1889 and has held a Green Flag award since 2006. Green Flags are awarded annually to the best green spaces in the country. Clissold Park and House were renovated in 2011 as part of an £8.9 million Heritage Lottery Fund restoration project. Clissold House is a Grade II\* listed building in the middle of Clissold Park that hosts community bookings, weddings, meetings and parties.

The café in Clissold House is currently operated by a service provider. It is open to the public seven days a week (except Christmas Eve and Christmas Day) from 8.30 a.m. – 4 p.m. As well as being a popular destination for park users, the cafe contributes income to the Parks and Green Spaces Service, helping pay for maintenance of Clissold Park and other green spaces across Hackney.

The contract with the current service provider ends in October 2019, and a new operator is required to run the cafe from November 2019 for a period of five years.

### **ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)**

As part of the Business Case approved prior to the procurement process, the following options were considered:

In-sourcing

The catering provision was deemed to be unfeasible for this service. An In-sourcing report has been appended to this report in Exempt Appendix 2.

Do Nothing

The current contract cannot be extended further. If a new contract is not awarded before the existing contract expires then the current operator would be delivering without contract, or the provision would cease without an alternative solution in place.

External Framework

No external procurement frameworks were identified that would be suitable to this contract.

## 12 Procurement of the Adult Integrated Drug and Alcohol Service - Key Decision No. CACH P89

The Chair asked for an introduction of the report.

Ms Amy Harmsworth - Public Health Strategist, Children, Adults and Community Health, advised the Committee that Hackney and the City of London had been working in collaboration to review and draw up proposals regarding the recommissioning of the separate specialist drug and alcohol services currently in place across the borough and the corporation.

The current drug and alcohol services in the London Borough of Hackney (LBH) and the City of London Corporation (CoL) were separately commissioned in 2015. Both tenders were won by the same provider (Westminster Drugs Project), and City residents had benefited from having access to a wider service offer in Hackney (e.g. access to prescribing services, group work etc.). Both of the contracts were due to end in October 2020.

Ms Harmsworth informed the Committee that over the last 10 months significant targeted consultation with key stakeholders had been completed, including service users, staff, potential providers and partners. A design Steering group was established with senior members across the Council and City of London Corporation, representatives from the integrated workstreams, GPs and the CCG to aid with the focus and design of the new service. The needs and available data concerning substance misuse within the City and Hackney were also researched and analysed in the new joint strategic needs assessment chapter on substance misuse.

Ms Harmsworth advised that the Committee were being asked to approve the recommissioning of the City and Hackney services together as one integrated service. This would continue to provide economies of scale for the CoL, as well as provide value for money across the local authorities that would share the costs of management fees and overhead charges from an external provider(s).

In terms of making a case for change of the provision Ms Harmsworth advised that it was a fact that individuals who had engaged or required engagement with specialist drug and alcohol services had changed over recent years. This included, but was not limited to an ageing treatment population whose complex and/or multiple health and social needs require additional and wrap-around support, an increase of individuals with co-occurring substance misuse and mental health needs, and a reduction of alcohol only service users engaging with the treatment service, despite estimated need remaining unchanged. This was illustrated locally within a recently completed Joint Strategic Needs Assessment (JSNA) Substance

Misuse Chapter which analysed and reviewed the current needs of drug and alcohol users across Hackney and the City.

With regard to the new Service Proposal Ms Harmsworth advised that the main changes from the previous service was as follows:

- **Integrated City and Hackney Service** - This would be one integrated City and Hackney Service managed as a unified system
  - **Increased Outreach** - The current model was traditional in nature, whereby drug and alcohol users were expected to attend a treatment hub to receive treatment. Whilst there was still a requirement for a treatment hub in this service, the service would now be asked to become more assertive in their approach to working with local drug and alcohol users by providing a team of outreach keyworkers to find and support individuals who may find traditional treatment challenging to engage with.

Ms Harmsworth concluded her introduction by advising that the service specification had been reviewed and signed off by the design steering group for this recommissioning. In addition, Hackney Public Health sourced a Clinical Expert in Substance Misuse to review the service specification. The clinical expert fed-back that the specification had been written to a good standard, without any significant omissions or oversights, and which demonstrated a clear and comprehensive understanding of clinical and NICE guidelines, evidence base and the local priorities for the City and Hackney. Also for the Committee's information there had been an update on the City of London contribution which differed slightly from that reported in the business case. The total contribution (which included the City of London Police Contribution) was £311,500.00.

The Chair thanked Ms Harmsworth for her introduction and asked if there were any questions from Members.

Councillor Selman sought assurances in respect of LB Hackney being confident that the market was able to provide a high quality service.

Ms Harmsworth in response advised that there was a very good market for drug and alcohol provision, including approximately 5 large reputable charities, and a number of NHS trusts that had also voiced an interest in this contract. Officers would be ensuring high quality bids throughout the tender process, including a 70% weighting on quality of the bids, and a minimum scoring criteria that will disqualify any poor quality bids.

The Chair sought clarification as to whether officer had completed a networking bid, including smaller charities, so they could meet and partner with the bigger providers, The Chair also sought confirmation as to why the young person service can be delivered in house but this proposed contract was not able to be.

In response Mr Harmsworth advised that officers had held a consultation day where a number of potential bidders were invited, and attended. This included smaller charities such as Build on Belief and Foundation for Change.

In respect of why this service could not be delivered in house whereas the the young person service can be delivered in house, Ms Harmsworth advised that this was because young hackney substance misuse service was not a clinical service, unlike the adult service which needed to be delivered by a highly skilled and clinically able team. If there were any under 18 year olds, or 18-24 year olds engaging with Young Hackney who required a clinical intervention, this would be provided by the new adult service. This was outlined in the service specification alongside a emphasis of the importance for a strong working relationship between these 2 services.

There being no further questions on a MOTION by the Chair it was:

## RESOLVED

- i. That approval be given to the procurement strategy for an adult integrated drug and alcohol treatment system contract for the City of London Corporation and the London Borough of Hackney up to an annual maximum value of £4,930,850 for a period a five years commencing on 1 October 2020 with an option to extend for a further 2 years (plus 2 years) to a maximum contract value of £44,377,650; and
- ii. That it be noted that Young Hackney would continue to deliver the drug and alcohol service for young people (up to the age of 25 years) as in-house provision, subject to full service monitoring and review (as detailed in section 9 of the report).

## RELATED DECISIONS

In February 2018 CPC agreed an STA for the existing contract until 30 September 2020 to allow for service review and redesign [http://mginternet.hackney.gov.uk/documents/s59121/CDM-18849790-v3A-ISMS\\_CPC\\_Report\\_February\\_2018.pdf](http://mginternet.hackney.gov.uk/documents/s59121/CDM-18849790-v3A-ISMS_CPC_Report_February_2018.pdf)

## OPTIONS APPRAISAL AND BUSINESS CASE (REASONS FOR DECISION)

Under the Health and Social Care Act 2012, local authorities have the duty to reduce health inequalities and improve the health of their local population by ensuring there are public health services aimed at reducing drug and alcohol misuse. The 2015/16 public health grant included a new condition (that has remained in the most recent grant) that requires: A local authority must, in using the grant, “...have regard to the need to improve the take up of, and outcomes from, its drug and alcohol misuse treatment services...”<sup>1</sup>

The current contracts in the London Borough of Hackney (LBH) and the City of London (CoL) have been in place since October 2015. These contracts are due to end in October 2020 and the procurement outlined in this report will seek a joined up service across the two authorities into one integrated service managed as a unified system. LBH will lead on the overall contract management of this new service, with CoL having continued oversight and involvement.

**Case for change:** Individuals who engage or require engagement with specialist drug and alcohol services have changed over recent years. This includes, but is not limited to, the following:

- An ageing treatment population whose complex and/or multiple health and social needs require additional and wrap-around support
- individuals with co-occurring substance misuse and mental health needs
- A reduction of alcohol only service users engaging with the treatment service

The needs of LBH and CoL in regards to specialist drug and alcohol treatment has been reviewed extensively including the publication of a Joint Strategic Needs Assessment (JSNA) Substance Misuse Chapter (<http://www.hackneyjsna.gov.uk>), and a significant consultation exercise which sought the views of service users (including current and potential), professional drug and alcohol practitioners, direct partners (such as local GPs, police custody suite officers etc.) and a number of other stakeholders. This has directly informed the design of the new service specification.

The new contract will provide opportunities for innovation in the service delivery and design through a flexible drug and alcohol service framework designed to enable greater responsiveness to the changing needs of the treatment population.

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<sup>1</sup> Public Health ring-fenced grant 2019/20 circular allocations and conditions, Grant Conditions, point 7

As with many other elements of the Public Health portfolio, this procurement will be carried out by Hackney on behalf of LBH and the CoL. Currently, the local authorities have standalone services. CoL's current specialist drug and alcohol treatment system supports a small number of residents that live or stay within the City, and there are existing partnership arrangements between the local authorities to support these individuals within the current Hackney Recovery Service (HRS) if required (e.g. opiate substitute prescribing and group work interventions). Following a number of consultation and review events, it has been decided to create one integrated system.

A minimum contract length of five years is being proposed following the work undertaken as part of this review and the publication by the [Advisory Council for Drug Misuse \(ACMD\) Recovery Committee Report](#) in September 2017. This report highlights a number of risks associated with frequent reprocurement of substance misuse services including poorer recovery outcomes and recommends commissioning cycles for substance misuse to take place every five to 10 years to minimise the use of vital resources, and disruption to service delivery. Furthermore issues have been identified by the Faculty of Addictions Psychiatry of the Royal College of Psychiatrists that as a consequence of frequent re-tendering there are risks around increased drug overdoses, increase in use of accident and emergency and acute hospitals, and increases in crime. These risks are particularly concerning at a time when drug related deaths are increasing.

**Service redesign** - The service to be procured as outlined in this report will provide specialist and community based drug and alcohol treatment for adults (over 18 years) that reside or stay (with a local connection) in the LBH or the CoL. The service will be provided by one provider or by a small number of providers that work together/in consortia with a lead organisation accountable to LBH for the delivery of the overall contract.

The service model will be:

- Recovery focussed
- Outcome based
- Inclusive
- Shaped by the needs, views and voices of service users, carers, families and communities in the boroughs
- Accessible and offer focussed support that will be available at any point during a service user's recovery journey
- Evidence based

The following key outcomes will be monitored for those actively engaged in the service as a minimum to assure an effective treatment service:

- Freedom from dependence on drugs and/or alcohol
- A reduction in crime and offending
- Prevention of drug related deaths and blood borne viruses
- Sustained employment, training and/or education
- Ability to access suitable accommodation
- Improvement in mental and physical health and wellbeing
- Improved relationships with family members, partners and friends
- The capacity to be an effective and caring parent and the safeguarding and support of vulnerable children

The treatment service will deliver on the following key areas in both LBH and CoL:

- Treatment and support for individuals using a variety of substances, including traditional drugs (such as opiates, cocaine etc.) as well as alcohol, novel psychoactive substances, and club drugs. The service will work with GPs on the misuse of prescription medications.
- A treatment service that provides a level of support and treatment at least 6 days a week across LBH and CoL, considering evening and weekend provision. The accessibility of the service is to be widened, maximising

- opportunities for co-location with partnership agencies, satellite clinics and increasing the level of outreach provided by the service.
- Psychosocial Interventions to address addictive behaviours and/or support sustained recovery from drug and alcohol misuse. This will include comprehensive assessment of need, goal setting, structured interviews and group work sessions.
  - Delivery of pharmacological interventions within drug and alcohol treatment including prescribing opiate substitute treatment, supporting community and inpatient detoxification from drugs and/or alcohol, and other prescribing needs (such as withdrawal management medication). This will also include close working relationships with local GPs and hospitals.
  - A family and carer service that will support families, friends and carers of drug and/or alcohol users in group and/or individual settings, as well as supporting identified parental substance users (or adults with significant child contact), and ensuring all children are safeguarded.
  - Wrap around support to address multiple needs that potential service users might present with such as physical and mental health, family support, and criminal justice involvement. This will be underpinned by significant focus on joint partnership working protocols, information sharing agreements and networking events to ensure service users have equitable access to health and social care services and support in a timely and coordinated fashion.
  - Harm reduction interventions to reduce substance related harm and deaths including access to needle exchange provision and naloxone (a drug that reverses the effect of an opiate overdose), in addition to providing testing and treatment for service user's with Hepatitis C (and other blood borne viruses). As such, the new service will support the City and Hackney to eliminate hepatitis C, in line with the NHS England commitment<sup>2</sup>
  - Step down recovery support on completion of treatment which enhances long term and sustained recovery and increases a service user's sense of community.
  - An increased responsibility in the overall prevention of drug and alcohol misuse throughout the local authorities. This will be completed via the publication of national and local campaigns and providing training to universal services and front line staff who are likely to have direct contact with individuals at risk of developing problems with drugs and alcohol.

For strategic context regarding the re-procurement proposal, please refer to section 7

**Consultation** - Significant consultation has taken place within four key groups including the current provider, potential providers, service users/potential service users and stakeholders for the service. Views have been captured using a variety of methods such as online surveys, focus groups, 1:1 interviews and an all-day consultation event. For additional detail on how consultation was completed, please refer to section 12.

The targeted consultation informed us there are many areas of the current treatment model that work well, but also some gaps in provision which could be addressed. Shared themes from the consultation that we have considered as part of the service redesign include:

- The service must be able to support complex and multiple health and social care needs
- The service needs to be tailored and flexible to individual needs presented by service users. (i.e. 'not one size fits all' when it comes to specialist drug and alcohol treatment)

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<sup>2</sup> NHS England sets out plans to be the first in the world to eliminate Hepatitis C – [www.england.nhs.uk/2018/01/hepatitis-c-2](http://www.england.nhs.uk/2018/01/hepatitis-c-2)

- A whole person approach is to be adopted when supporting individuals in a specialist drug and alcohol service i.e. support them to improve their sense of community, their use of time and support for families and children
- Equity of access of the service must be reviewed and increased as not everyone can or wants to attend a drug and alcohol treatment office.
- Retaining quality staff must be seen as a priority as this directly impacts service user's experience of treatment, and overall outcomes.

## **ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)**

**Option 1, Allow current contract to come to an end, and not provide a specialist drug and alcohol service from October 2020.** This is not recommended. Hackney Council has a duty to provide services to reduce health inequalities, increase the uptake of drug and alcohol treatment and provide effective outcomes for substance users and the wider community via the allocation of the Public Health grant. In addition, we know that the impact of drug and alcohol use continues to be significant throughout the borough - with 1,600 alcohol specific hospital admissions a year and drug related deaths increasing. Substance misuse is also linked with criminal activity, increased unemployment rates and homelessness. As such the health, social and financial impact of substance misuse remains significant. Research by PHE has demonstrated that investment in specialist drug and alcohol services in the UK are effective and contribute to improvements and wellbeing, as well as providing value for money (it is estimated there is a £4 social return on every £1 invested in drug treatment, and £3 social return on investment in alcohol treatment throughout the country.)

**Option 2, The service model to remain as it is, and the current contract is extended.** The current service model has been in operation since October 2015 on a three year contract, which was extended for 2 years in 2018. Since 2015, the demography for local Hackney residents and their needs as part of drug and alcohol treatment has changed, as previously mentioned. It is recommended that a new service is designed to meet the ever changing needs of the drug and alcohol using cohort, and to increase treatment engagement throughout the borough.

**Option 3, To insource adult specialist drug and alcohol treatment via Hackney Council.** Due to the clinical aspect of the service, the service requires an approved clinical body to deliver safe and efficient prescribing care needs (e.g. an NHS Trust). The clinical requirements of this service are significant, and it would be a challenge for the Council to take this on. For example, the Council would be required to recruit the specialist qualified staff who require clinical supervision, training and insurance in order to provide a safe and effective service. Further detail on how in-sourcing this service was considered is available in Appendix A.

**Option 4, Jointly commission a specialist drug and alcohol service that supports all ages (including under 18 year olds).** Specialist drug and alcohol treatment for young people up to their 25<sup>th</sup> birthday is currently provided by a substance misuse team in Young Hackney, and Public Health explored the possible benefits of including the young person provision within the scope of this procurement exercise. The current budget allocated to this service via the Public Health Grant is £386,000.00.

Guidance for the commissioning of young person drug and alcohol treatment recommends that interventions delivered must be age appropriate and tailored to the various needs and risk factors that may be presented by young people - e.g. interventions to develop resilience, provide social service support, able to respond to safeguarding needs etc. Unlike the service user profile seen in the adult service, young people are more likely to use substances such as cannabis and alcohol and less likely to present using Class A drugs. As such, the needs of young people can be significantly different to the adult drug treatment population.



**Monday, 9th September, 2019**

Stakeholders consulted on this proposal acknowledged that one provider could deliver the young person and adult drug and alcohol treatment in LBH. However, all stakeholders agreed that adults and young people need separate services in location, delivery and even service branding for effective treatment outcomes and risk management/safeguarding for the different age groups. Stakeholders also suggested links with other young person services could be lost if removed from the Young Hackney system, for example, wrap-around support such as youth services, children's social care, and links with the youth offending service. Although it was agreed continuity of care and partnerships between the adult and young person drug and alcohol services may be improved if delivered by one provider, it was felt this benefit alone was not enough to enhance the service, and can be easily addressed within the newly designed service specification.

As such, it is felt there is no obvious advantage to this proposal. It is therefore recommended that Young Hackney continue to deliver the drug and alcohol service as an in-house provision, subject to a full service review in the future to ensure this service is well designed and contracted to meet the needs of young people in Hackney.

**13 Any other Unrestricted Business the Chair Considers to be Urgent**

There were no items of unrestricted urgent business.

**NOTED**

**14 Dates of Future Meetings**

**NOTED** - Meetings will be held at 6.00pm on:

7 October 2019  
4 November 2019  
2 December 2019  
13 January 2020  
10 February 2020  
11 March 2020  
6 April 2020  
11 May 2020 – new meeting

**15 Exclusion of the Public and Press**

The Chair advised that the following items 16-19 allow for the consideration of exempt information in relation to agenda items 6, 7, 11 and 12, respectively.

**RESOLVED**

**That the press and public be excluded from the proceedings of the Cabinet Procurement Committee during consideration of Exempt items 16-19 on the agenda on the grounds that it is likely, in the view of the nature of the business to be transacted, that were members of the public to be present, there would be disclosure of exempt information as defined in para 3 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended.**

**SUMMARY OF EXEMPT/CONFIDENTIAL PROCEEDINGS**

**16 Exempt Minutes of the Previous Meeting of Cabinet Procurement Committee held on 8 July 2019**

**AGREED the exempt minutes of the Cabinet Procurement Committee held on 8 July 2019.**

- 17 General Exception - Contract Award Report for Clissold House Cafe

**AGREED AND NOTED the exempt Appendices 1 & 2 in relation to agenda item 7 in the unrestricted part of the agenda.**

- 18 Procurement of the Adult Integrated Drug and Alcohol Service - Key Decision No. CACH P89

**AGREED AND NOTED the exempt Appendix A in relation to agenda item 8 in the unrestricted part of the agenda.**

- 19 Information Report - Renewal of Gas & Electricity Supply Contracts

**AGREED AND NOTED the exempt Appendix 1 in relation to agenda item 9 in the unrestricted part of the agenda.**

- 20 Any Other Exempt business the Chair Considers to be Urgent

There were no items of exempt urgent business.

**NOTED**

**Duration of the meeting: 18:00 – 19:00**

Contact:  
Clifford Hart  
Clifford.hart@hackney.gov.uk



## HOUSING FIRST SERVICE CONTRACT AWARD REPORT

Key Decision No. CACH Q11

<p><b>CPC MEETING DATE</b></p> <p>7th October 2019</p>	<p><b>CLASSIFICATION:</b></p> <p>Open with Exempt Appendix</p> <p>By Virtue of Paragraph(s) 3, Part 1 of schedule 12A of the Local Government Act 1972 appendix A is exempt because it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>
<p><b>WARDS AFFECTED:</b></p> <p>All</p>	
<p><b>CABINET MEMBER:</b></p> <p>Councillor Feryal Clark Health, Social Care, Transport and Parks</p>	

**KEY DECISION: Yes**

**REASON: Affects more than one ward.**

**CORPORATE DIRECTOR:**

**Anne Canning, Group Director Children, Adults and Community Health**

## **1. CABINET MEMBER'S INTRODUCTION**

- 1.1 As agreed by the Committee in September 2018, the procurement of a Housing First service represents a significant enhancement to the homelessness reduction offer. The service will support entrenched rough sleepers, who have multiple and complex needs that include mental ill health, offending behaviour, substance misuse and personality disorders, achieve social inclusion. This service is designed to support people who have not thrived in traditional hostel accommodation, live independently.
- 1.2 Jointly developed by commissioners at LB Hackney, the City of London and City and Hackney CCG, non-recurring prioritisation funding from the CCG provides for initial start-up and delivery costs. This will allow us to develop the local evidence base to support a business case for permanent funding as part of the wider Supported Housing provision being delivered following integrated commissioning principles. In addition, this service represents a platform for partnership working across the organisations, overcome initial set-up and implementation barriers and allows us to utilise a supply of social housing that will otherwise be turned over to general needs accommodation.
- 1.3 The Housing First model addresses the health and housing needs of those that place high demands on services, whilst adding value and delivering potential savings across the local health and care system. By supporting people into stable accommodation and enabling them to address their health issues, this service will reduce levels of need across a marginalised and vulnerable group. This also enables the Local Authority to discharge its duty under the Care Act 2014 to provide preventative services and increase the wellbeing of residents.

## **2. GROUP DIRECTOR'S INTRODUCTION**

- 2.1 This report seeks approval to award a contract for an integrated housing-related support service in the London Borough of Hackney and City of London.
- 2.2 The service delivers support to people with multiple and complex needs associated with entrenched street homelessness (rough sleeping), including mental ill health, offending behaviour, substance misuse and personality disorders. The procurement process has ensured that the service will be innovative, efficient and fit for the future, promoting independence, increasing quality of life and helping people re-engage in their local communities.
- 2.3 The contract is due to commence in January 2020 and will be delivered for one year with the option to extend for one plus one years.

## **3. RECOMMENDATION(S)**

- 3.1 Cabinet Procurement Committee is recommended to award the contract for the City & Hackney Housing First Service to Provider A. The provision will cost a total amount of £214,338 for a period of one (1) year with an option to extend for a further two (2) years (1 + 1 + 1 years), representing a whole contract value of £656,544.**

#### **4. RELATED DECISIONS**

- 4.1 Cabinet Procurement Committee agreed to the procurement of this service on 12th September 2018. A reference to the Business Case can be found at the link:  
Re-tendering of Housing Related Support Contracts - Key Decision No. CACH P9  
<http://mginternet.hackney.gov.uk/mgAi.aspx?ID=32105>

#### **5. REASONS FOR DECISION/OPTIONS APPRAISAL.**

- 5.1 The purpose of the service described in this report is to deliver intensive, wraparound, person-centred, housing-related support to 20 entrenched rough sleepers enabling them to move away from marginalised and chaotic lifestyles. By providing access to stable, independent housing to a cohort traditionally excluded from this type of accommodation, service users will have the opportunity to address their support needs, thus reducing pressure on the Council's homeless services.
- 5.2 Traditional homeless hostels deliver support that is transactional; using a support plan that is jointly agreed with their support worker, service users move towards stability and independence by engaging with interventions that help them achieve their personal goals. This model delivers successful outcomes for the majority of service users, who eventually move into their own home after completing their support journey. There is, however, a cohort for whom this approach is unsuccessful. Housing First inverts the journey from street homeless to stably housed by delivering accommodation before support needs have been addressed.
- 5.3 Housing First provides self-contained, independent housing with access to high levels of person-centred housing related support as required. Placing an emphasis on tenancy sustainment, service users will experience a support journey that is self-directed, enabling them to address their support issues at their own pace, without fear of being penalised for not following a prescribed support journey.

- 5.4 A relatively new model, this service is an alternative for those with a history of entrenched rough sleeping/homelessness and complex needs, those who typically 'revolve' through services without achieving positive outcomes.
- 5.5 City & Hackney Housing First also represents real collaboration between City & Hackney CCG, London Borough of Hackney and the City of London, demonstrating the partner's commitment to integrating Health and Local Authority services.
- 5.6 An evaluation of existing Housing First services in the UK has found that they deliver better outcomes than other support options and are more cost effective than special hostels or general needs shared accommodation<sup>1</sup>. The model also has the potential to deliver significant savings to health and other public services.

## **6. PROJECT PROGRESS**

### **6.1 Housing First Developments since the Business Case approval**

- 6.1.1 Housing First represents one of five recommendations presented in the business case. Progress on the other projects is set out below:
- 6.1.2 A new integrated floating support contract for five years with an option to extend for a further two years was granted in March 2019. The service launch date is 31st October 2019.
- 6.1.3 Approval to award a new contract for mental health accommodation based support services for five years with an option to extend for a further two years will be submitted to the Cabinet Procurement Committee 7th October 2019.
- 6.1.4 Direct negotiation of a contract for a single homeless pathway is ongoing, and a report will be submitted to CPC later this year for approval.
- 6.1.5 Direct negotiation of a contract for Older Adults services is ongoing, a report will be submitted to CPC later this year for approval.

### **6.2 Whole Life Costing/Budgets:**

- 6.2.1 Non-recurring funding for year one is obtained from the 'Big Ticket Item' fund, secured by the Planned Care Workstream. Commissioners have identified

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[https://hfe.homeless.org.uk/sites/default/files/attachments/Evaluation%20of%20nine%20services%20in%20England\\_0.pdf](https://hfe.homeless.org.uk/sites/default/files/attachments/Evaluation%20of%20nine%20services%20in%20England_0.pdf)

potential funding for the extension period (years two and three), through central government's Rough Sleeping Initiative Fund. LB Hackney will submit a bid when the third tranche of the fund is released in Q2/Q3 2019/20.

6.2.2 The price stated below is fully inclusive of staffing, office accommodation, all expenses (including travel) and recognises the annual inflationary pressures over the lifetime of the contract:

<b>Housing Related Support Provision</b>	<b>1 Year investment £K</b>	<b>1 + 1 Estimated Investment £K</b>	<b>Whole Life Investment £K</b>
Housing First	214,338	442,206	656,544

### **6.3 SAVINGS**

6.3.1 This service will not deliver immediate, quantifiable savings, however, research indicates that the model has the potential to deliver significant savings to health and other public services.

## **7. SUSTAINABILITY ISSUES**

### **7.1 Procuring Fair Delivery**

7.1.1 A full Equality Impact Assessment (EIA) has been completed in June 2018 and was attached to the business case report:

<http://mginternet.hackney.gov.uk/documents/s62080/120918%20Final%20CA%20M95%20HRS%20Appendix%204.pdf>

### **7.2 Procuring Green**

7.2.1 Our own assessments showed that the biggest impact for this service would be the transport needs of staff and service users when viewing potential properties and staff who will be visiting service users in their own homes. Providers were asked to have in place an environmental impact reduction policy which will include supporting staff to choose more environmentally friendly methods of travel. The preferred provider promotes access to a Bike to Work scheme to all employees. The preferred provider also offers a horticultural training initiative which, in addition to improving the environment, enables participants to acquire gardening skills.



### 7.3 Procuring for a Better Society

- 7.3.1 The PRIMAS highlighted the positive impact these contracts will have on the local economy. It provides safe and appropriate housing for Hackney residents. The proposed bidder states that they will generate meaningful employment for people using their services, and specifically, training to empower and engage clients in work-related activities.
- 7.3.2 The preferred provider is an 'Investing in Volunteers' accredited organisation with a dedicated Volunteer Services team. This team set clear support structures for volunteers across the organisation and implement innovative models of volunteering. One such model is the client volunteer pathways. This provides clear routes for service users and the wider community to get involved in volunteering, thus enabling them to acquire skills that will prepare them for work.

## 8. TENDER EVALUATION

- 8.1 These services are classed as Schedule 3 services under the Public Contracts Regulations 2015, and therefore come under the *Light Touch Regime* (LTR).
- 8.2 A single-stage procurement process comprising of two parts was used for this tender. There were two separate sections contained in the same tender, an SQ (Selection Questionnaire) and Method Statement questions. Bidders had to return responses to both sections and pass all questions under the SQ in order to be considered for the tender. No bidder was disqualified based on the SQ information provided.
- 8.3 A full specification and set of tender documents were available with the advert, following an OJEU notice being published. CPC approved the Business Case and granted permission to go out to tender in September 2018. An advert was placed on the Council website and additionally the *Contracts Finder* website in January 2019.
- 8.5 One submission was received in total. Following a full assessment of the SQ, this one submission passed all the related questions. The SQ also assessed technical ability, financial standing, and insurance criteria, in line with the Crown Commercial Service format of the SQ.
- 8.6 There were six core members of the tender panel who evaluated all of the questions (excluding the financial scoring) from City & Hackney CCG, LBH commissioning, LBH adult services and City of London commissioning.

### Tender Evaluation Core Panel:

Director of Planned Care - Integrated Commissioning (CCG)
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*Senior Commissioning Manager - City of London
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*Rough Sleeping Coordinator - City of London
**Pause and Multiple Needs Service Practice Lead - LBH
Strategic Commissioner Mental Health & Prevention - LBH
**Pause and Multiple Needs Service Manager - LBH

\*Joint evaluators \*\*Joint evaluators

- 8.7 'Experts by experience' joined the core panel to critique a response given by the bidder to the question: "Tell us what the service hopes to do and how you will involve service users" in a 15 minute presentation.
- 8.8 The evaluation panel was supervised by a Senior Procurement Officer.
- 8.9 The tender was evaluated on the following criteria.

Scoring Criteria	Score	Broken down into:
<b>Quality</b>	<b>70%</b>	
Equality & Partnership Working (part 1)		10%
Equality & Partnership Working (part 2)		10%
Service User Involvement (part 1)		10%
Service User Involvement (part 2)		10%
Service Delivery and Quality (part 1)		5%
Service Delivery and Quality (part 2)		10%
Service Delivery and Quality (part 3)		5%
Service Delivery and Quality (part 4)		5%
Service Delivery and Quality (part 5)		5%
Mobilisation and Transition		10%
Availability and suitability of Property to meet requirements of the specification		10%
Social Value		10%
<b>Price</b>	<b>30%</b>	

- 8.10 Responses to method statements were scored using the following scoring mechanism:

Score	Rating	Criteria for Awarding Score
0	Unacceptable	No response to the question or the response is highly inaccurate

1	Poor	Limited response provided or a response that is inadequate, substantially irrelevant, inaccurate or misleading
2	Below expectations	Response only partially addresses the question
3	Satisfactory	An acceptable response submitted in terms of level of detail, accuracy and relevance. The response is good but there are either some omissions of important factors or negative indications that reduce the extent to which the project aims will be achieved
4	Good	A comprehensive response submitted in terms of detail and relevance and clearly meets the project aims with no negative indicators or inconsistencies
5	Excellent	A more than comprehensive response submitted in terms of detail and relevance with no negative indications or inconsistencies

8.11 The price score was evaluated on the average annual cost of the contract over the initial 3 year period. The Annual Tender Price is within the annual resource limit of £225,000 in each of the 3 years and the bid therefore met the criteria of the tender evaluation.

#### 8.12 Recommendation:

8.12.1 The tender panel recommends that **Provider A** is awarded the contract for Housing First. Provider A demonstrated that they would be able to meet the full requirements of the specification and that they understood the model.

8.12.2 While there was only one bidder, the panel scored the quality bid and the panel acknowledged that this was a reflection of the challenges in procuring suitable accommodation.

8.12.3 The bidder demonstrated high levels of awareness of the needs of a Housing First client, highlighting their experience of delivering the model in other London boroughs, and showcasing the success they have achieved in supporting clients to obtain positive outcomes and sustain tenancies.

8.12.4 The preferred provider submitted a bid that includes suitable independent accommodation which is crucial to successful delivery of the model, but also a challenge in London where we are experiencing a severe housing shortage.

8.12.5 The bidder presented a detailed and relevant mobilisation plan alongside a realistic risk assessment with moderations, giving the commissioners reassurance that this provider will be able to manage the significant service model and their obligations to this contract.

	Quality	Price	Total
Supplier / Provider A	50%	30%	80%

## 9. CONTRACT MANAGEMENT ARRANGEMENTS

### 9.1 Resources and Project Management (Roles and Responsibilities):

9.1.2 The contract will be managed by the Strategic Commissioner for Mental Health and Prevention, a role that sits within the Adult Services Commissioning Team.

9.1.3 Contract performance meetings will be held at least once per quarter. The Adult Services Commissioning Team has systems for performance monitoring, data collection, analysis, reporting and invoicing; these systems, led by the Quality Assurance Team, will all be set up as standard for this contract.

9.1.4 Taking account of the innovative nature of this service, an evaluation of the first year's performance will be completed, thus ensuring a sound evidence base is established, demonstrating impact, sustainability and alignment to strategic commissioning objectives.

9.1.5 This service will also be steered by the multi-agency Housing First Partnership Board with referrals overseen by the Housing First Referral Panel:

#### **Housing First Partnership Board - Membership**

Workstream Director, Integrated Commissioning (Chair), City & Hackney CCG  
Senior Procurement Officer, LB Hackney  
Strategic Commissioner MH and Prevention, LB Hackney  
Commissioning Officer Mental Health & Prevention, LB Hackney  
Service Manager, Pause, LB Hackney  
Head of Homelessness Prevention & Rough Sleeping, City of London Corporation  
Operations Manager, Benefits & Housing Needs, LB Hackney  
Project Manager, City and Hackney CCG  
Commissioning Manager, City of London Corporation  
Public Health Head of Service, LB Hackney  
Rough Sleeping Coordinator, City of London Corporation  
Transformation Support Officer, Integrated Commissioning Programme, LB Hackney

### **Housing First Referral Panel - Membership**

City and Hackney CCG  
 The Provider (when appointed)  
 City of London Corporation Homelessness Prevention & Rough Sleeping  
 LBH Strategic Commissioning for MH & Prevention  
 LBH Housing Advice and Homelessness Team  
 LBH Adult Social Care  
 LBH Public Health  
 LBH Substance Misuse  
 PAUSE  
 STEPS (Multiple Needs)  
 City & Hackney Rehabilitation & Recovery Service (ELFT)  
 LBH Enforcement  
 Homerton Specialist Midwife Service (Substances and Alcohol)  
 London Probation/CRC  
 Open Doors

### **9.2 Key Performance Indicators:**

<b>Main KPI Targets Set</b>	<b>Monitoring</b>
<b>1. Service Utilisation - 100%</b>	<ul style="list-style-type: none"> <li>● Quarterly performance workbook</li> <li>● Quarterly contract monitoring meeting</li> </ul>
<b>2. Economic Well-Being</b> <ul style="list-style-type: none"> <li>● Clients claiming correct benefits within the first two months - 100%</li> <li>● Clients have set up a bank account within the first two months - 100%</li> <li>● Evictions due to rent arrears - Nil</li> <li>● Clients have an email address - 100%</li> </ul>	<ul style="list-style-type: none"> <li>● Quarterly performance workbook</li> <li>● Quarterly contract monitoring meeting</li> </ul>

<p><b>3. Enjoy &amp; Achieve</b></p> <ul style="list-style-type: none"> <li>• Clients taking part in meaningful activity (e.g. employment, training, education, volunteering, etc) within 18 months - 100%</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly performance workbook</li> <li>• Quarterly contract monitoring meeting</li> </ul>
<p><b>4. Be Healthy</b></p> <ul style="list-style-type: none"> <li>• Clients registered with GP - 100%</li> <li>• Clients engaging with health services - 100%</li> <li>• Clients with an identified need attending community drug services - 70%</li> <li>• Clients requiring occupational therapy receive an assessment within first 6 months in tenancy - 100%</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly performance workbook</li> <li>• Quarterly contract monitoring meeting</li> </ul>
<p><b>5. Stay Safe</b></p> <ul style="list-style-type: none"> <li>• Clients have comprehensive risk assessment - 100%</li> <li>• Tenancy management - 100%</li> <li>• Evictions due to rent arrears - Nil</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly performance workbook</li> <li>• Quarterly contract monitoring meeting</li> </ul>

## 10.0 COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES

10.1 The recommendation of the report is to award the contract for the City and Hackney Housing First Contract to Provider A. The cost of the service will be £214,338 for a period of one year with the option to extend for a further two years (1+1+1). The total value over the maximum life of the contract is £656,544.

10.2 Funding for the initial year of the service has been awarded through the Prioritisation and Investment Committee (PIC), and this funding has been

passed over to the local authority from City and Hackney Clinical Commissioning Group. For the extended period (years two and 3), Commissioners have identified potential funding through the Central Government Rough Sleeper's Initiative Fund. The Council will submit a bid in Quarter 3 of the contract. If funding cannot be secured through the Rough Sleeper's Initiative Fund, then alternative funding will need to be identified to ensure that the contract can be extended and does not result in a budget pressure for the Council.

## **11. COMMENTS OF THE DIRECTOR, LEGAL AND GOVERNANCE SERVICES**

- 11.1 The Business Case for the service in this Report was approved by Cabinet Procurement Committee on 12<sup>th</sup> September 2018 and therefore this Report is being submitted to Cabinet Procurement Committee for contract award under paragraph 2.7.10 of Contract Standing Orders.
- 11.2 Details of the procurement process undertaken by officers are set out in this Report. The proposed award to Provider A follows a procurement process in respect of services which are classified as Social and other Specific Services under Schedule 3 of the Public Contracts Regulations 2015. Notwithstanding that the Council received only one bid in response to the tender, officers are satisfied in respect of the quality and price offered for the service.

## **12. COMMENTS OF THE PROCUREMENT CATEGORY LEAD**

- 12.1 The contract recommended for award in this report, is to be awarded for one year, with the possibility of up to two further years of renewal. Ensuring further funding will be key to ensuring support plans for the intended cohort are not disrupted. This is something the service area are working on currently and the new provider is aware of the funding situation.
- 12.2 The lack of bidders is disappointing and is likely, in part, to be reflective of the short term nature of the contract. Market engagement was undertaken and there were a number of expressions of interest but this resulted in only one bid submission. Feedback sought from bidders is also included in the Exempt Appendix. The model being used for this service is based on a national model, with a few modifications to KPIs tailored to City and Hackney requirements. However, the tender panel are confident that the winning bidder will be a good partner with whom to develop the Housing First model in Hackney and the City.
- 12.3 The price maximum set for this tender was based on benchmarking information carried out by the project group and the commissioning team is confident that this is a reasonable price.

12.4 The tender documentation included the requirement to pay staff at least the London Living Wage.

## APPENDICES

Appendix A - Exempt

### EXEMPT

Exempt Appendix A: Shortlist, Longlist and Scoring Tables

By Virtue of Paragraph(s) 3 Part 1 of schedule 12A of the Local Government Act 1972 this report and/or appendix is exempt because it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### CONFIDENTIAL

No

### BACKGROUND PAPERS

**In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required**

#### Description of document (or None)

None.

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**Re-tender of Adults Learning Disabilities Supported Living Scheme at Homer and Wick Roads.**

**CONTRACT AWARD REPORT**

**Key Decision No. CACH Q21**

<p><b>CPC MEETING DATE</b></p> <p><b>7 OCTOBER 2019</b></p>	<p><b>CLASSIFICATION:</b></p> <p>Open report with an open and an exempt appendix</p> <p><b>By Virtue of Paragraph(s) 3, Part 1 of schedule 12A of the Local Government Act 1972 appendix A is exempt because it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</b></p>
<p><b>WARD(S) AFFECTED</b></p> <p>All</p>	
<p><b>CABINET MEMBER</b></p> <p>Councillor Feryal Clark</p> <p>Health, Social Care, Transport and Parks</p>	
<p><b>KEY DECISION</b></p> <p>Yes</p> <p><b>REASON</b></p>	

**Affects all wards**

**CORPORATE DIRECTOR**

**Anne Canning, Group Director Children, Adults and Community Health**

## **1 CABINET MEMBER'S INTRODUCTION**

1.1 This report proposes the award of contract to a single organisation for the continued provision of Adults Learning Disabilities Supported Living Schemes at Homer and Wick Roads. The schemes will provide services for a group of vulnerable residents with complex needs in the London Borough of Hackney, helping them to maintain independent living arrangements, and avoiding the use of residential placements outside of the borough.

1.2 The service will provide the appropriate level of social support and care to improve the quality of life for residents and assist them to maintain their own tenancies at the scheme. Furthermore people will also be able to develop their independent living skills; work towards fulfilling personal goals; and make connections within their communities, preventing isolation and social exclusion.

1.3 Supported Living services such as these support local and national strategies to shift investment from acute and continuing care services towards community based services. Although no specific savings are attached to this contract, it is anticipated that it will deliver long-term cost avoidance, by avoiding expenditure on residential care and providing preventative outcomes around health and wellbeing.

## **2 GROUP DIRECTOR'S INTRODUCTION**

2.1 This report seeks approval to award a contract for supported living and personal support services for adults with learning disabilities at Homer and Wick Roads in the London Borough of Hackney. The intention is for the new contract to commence in January 2020. It is anticipated that a three month mobilisation period will be required. The contract length will be five years with the option to extend for a further two years.

2.2 The new total contract value will be £7.63m, with an annual contract value of £1.09m.

## **3 RECOMMENDATION(S)**

**3.1 Cabinet Procurement Committee is recommended to award a contract for the Adults Learning Disabilities Supported Living Service at Homer and Wick Roads to Provider D. The provision will cost a total amount of £5.45m for a period of five (5) years with an option to extend for a further 2 years at a total cost of £7.63m (5 + 1 + 1 years).**

## **4 RELATED DECISIONS**

4.1 Cabinet Procurement Committee agreed to the procurement of this service at its meeting on 10 December 2018. A reference to the business case and the minutes of that meeting can be found at the link below:

- Business Case: Adults Learning Disabilities Supported Living Scheme at Homer and Wick Roads (Key Decision No CACH P46):  
<http://lbhmgovapp01/documents/s63242/101218%20CPC%20FINALHomerWick.pdf>

## **5 REASONS FOR DECISION**

5.1 This report proposes that the Adults Learning Disabilities (LD) Supported Living Services for Homer and Wick Roads will deliver the following key benefits to the Council:

- Supporting service users to access community services and become engaged citizens of the local community ( Bridging the gap).
- Working with Hackney People First to support individuals to develop self-advocacy skills.

5.2 The current contract for provision of care and support at these schemes was due to end on 31 December 2018, however there was a six month option to extend until 30 June 2019, which has been invoked along with an additional extension to 31 December 2019. Therefore a new contract for care and support needs to be tendered.

5.3 Homer Road and Wick Road are two supported living properties for potentially 18 tenants with learning disabilities. Currently there are 17 tenants (one who is placed from out-of-borough), plus one void. The landlord for these properties is Peabody Housing.

5.4 The tenants in both of these schemes are primarily those with profound and multiple learning disabilities. They have long term high needs and significant communication difficulties. Some have significant health needs and challenging behaviour; some come under Continuing Health Care provision, which is funded by the NHS.

5.5 The service users at this scheme require long-term and often specialist support. Many are unable to communicate their needs, and have reduced mental capacity to make decisions around their care and support. Advocacy has been provided to ensure users are actively engaged in shaping the support service they need. Also, several of the service users are becoming older people and as such the needs of this user group are likely to increase.

## 6 PROJECT PROGRESS

6.1 **Developments since the Business Case approval:** Due to business case approval being slightly later than anticipated, the timeline for procurement was amended to ensure feasible, and safe delivery of the procurement. Approval for a further Single Tender Action to extend current provision until 31 December 2019 has also been sought, to enable smooth implementation of mobilisation post contract award.

### Whole Life Costing/Budgets

6.2 The current budget is £7.65m [annual £1.093m]. The new proposed contract price will be £5.45m [annual £1.090m] for a period of 5 years plus 1 + 1.

6.3 The single lead provider will be paid on a quarterly basis for the core and flex costs. The core costs will include management, service/development costs and core hours - shared night time support, personal care across the schemes. The flex cost is based on the hourly rate and forms part of the overall costs for the number of hours within the bidders priced proposal.

6.4 Flex costs will be determined individually as part of Social Care Review processes.

<b>Service</b>	<b>5 Year Contract Value (Initial term)</b>	<b>7 Year Contract Value (Optional Extended Term)</b>
Adults LD Supported Living Scheme at Homer and Wick Roads	£5,450,000	£2,180,000
<b>Total Cost</b>	<b>£5,450,000</b>	<b>£7,630,000</b>

### Savings

6.5 No direct savings have been attributed to this contract. The price has been set for providers to deliver within funding available.

6.6 There is a risk that either London Living Wage is increased to a greater degree than anticipated or, with the current general financial uncertainties, inflation may increase sharply. This contract will allow for a review of the budget and service delivery subject to legislative or unanticipated changes in the economic environment.

## 7 SUSTAINABILITY ISSUES

### 7.1 Procuring Green

**The Procurement Impact Assessment** identified a small number of environmental impacts, listed here with proposed mitigations:

- Staff travelling to work and using transport when supporting users to access the community. As part of the specification bidders were asked to have in place

environmental impact reduction policies which would include supporting staff to choose more environmentally friendly travel - including the use of public transport. Commissioners will work with provider to work towards enhanced compliance with vehicle emissions standards that will address the aims set out in the Council's Sustainable Procurement Strategy.

- The use of assistive technologies has been promoted as part of this procurement, with the expectation of providers using all appropriate methods of support, which benefit service users. Through the service specification and evaluation criteria bidders were asked to demonstrate innovation and change, including the use of assistive technology. The successful bidder has included;
  - Use of iPlanit, a web-based account for clients where outcomes important to people are uploaded and monitored until achieved.
  - Equipping people's homes with Wi-Fi, computer and tablets for use in a variety of ways.
  - As a Co-ordinator with lead for Assistive Technology and Communication Support and a commitment for every person the provider will support individuals to have an AT assessment ensuring reviews as people's needs change.
  - Supporting people to use and customise communication apps like Voice4U or AAC Speech Buddy, including collaborating with family and health professionals to customise speech sets online as necessary.
  - Considered use of technology like Google Home and Alexa to help people organise their lives, control audio-visual media or (increasingly) manipulate their home environment.
  - Promoting increased health and fitness and the use of wearables (fit bits, sports watches) through projects like the 10,000 step challenge.

## 7.2 Procuring for a Better Society

The Procurement Impact Assessment highlighted the positive effect these contracts may have on the local economy. The market informed Commissioners that a longer contract provides higher levels of staff retention, meaning reduced turnover and the ability to retain motivated, well-trained and qualified staff.

Bidders were asked to demonstrate Social Value as part of the procurement criteria. Delivery of social value will be managed through contract management procedures. Some of the commitments made by the successful bidder include:

- Advertising locally to generate sustainable employment opportunities (paying LLW at minimum) for Hackney Residents.
- Supporting local community through purchasing goods and services from local suppliers.
- Promoting work experience opportunities with schools, colleges and initiatives i.e 'Hackney 100'.
- Providing Health and Social Care apprenticeships for local people.

## 7.3 Procuring Fair Delivery

A full Equalities Impact Assessment (EIA) as been completed for this service and was attached to the business case report. No negative issues were identified. Potential positive impacts around key characteristics (e.g. on protected characteristics) would be managed through the new contract to ensure policies and procedures are upheld and monitored across the service. This will include the provider's own recruitment and staff policies.

## 8. ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

8.1. The following options have been considered and rejected:

Option	Advantages	Disadvantages	Rec
i. Do nothing	The contract ends December 2018, with a six month option to extend, and Cabinet Procurement Committee has stated that no further contract extensions would be agreed. Therefore this is not an option.		
ii. Open procurement for a single provider	<ul style="list-style-type: none"> <li>• Allows commissioners to specify a new and updated service to better meet the needs of service users</li> <li>• Helps stimulate and develop the market in line with the Council's duty under the Care Act. Section 5. This section of the Act sets out duties on local authorities to facilitate a diverse, sustainable high quality market for their whole local population.</li> <li>• Allows for new and innovative organisations to access the market.</li> <li>• Service users would be part of the assessment and choosing of contracts awarded.</li> </ul>	<ul style="list-style-type: none"> <li>• Could be seen as disrupting the existing market</li> </ul>	✓
iii. Go out to the market for two separate schemes -	<ul style="list-style-type: none"> <li>• Allows commissioners to specify a new and updated service to better meet the needs of service users</li> </ul>	<ul style="list-style-type: none"> <li>• Could inflate contract price</li> <li>• Will require more resources for commissioners and</li> </ul>	



<p>Homer Road and Wick Road</p>	<ul style="list-style-type: none"> <li>• Helps stimulate and develop the market in line with the Councils duty under the Care Act. Section 5 - sets out duties on local authorities to facilitate a diverse, sustainable high quality market for their whole local population.</li> <li>• Allows for new and innovative organisations to access the market.</li> <li>• Service users would be part of the assessment and choosing of contracts awarded.</li> </ul>	<p>quality assurance staff to monitor two contracts</p> <ul style="list-style-type: none"> <li>• The Market has not expressed a preference for this option.</li> </ul>	
<p>iv. Re-procure the services separately with the top floor of Homer Road as one service, then re-procure the ground floor of Homer road and the whole of Wick road as one service</p>	<ul style="list-style-type: none"> <li>• Allows flexibility for the top floor of Homer Road which is less accessible than the rest of the property.</li> <li>• This would support contracting in lots.</li> </ul>	<ul style="list-style-type: none"> <li>• This option relied on there being a void however this accommodation has now been filled and therefore is no longer an option.</li> </ul>	
<p>v. Bring service in-house</p>	<p><b>A full cost benefit analysis was completed as part of the business case regarding the in sourcing of this service.</b></p> <p><b>The conclusion of the analysis was that</b> the cost implications to the Council are considerably higher. The service would cost 55% more if brought in-house. In reality this poses a high risk due to current funding pressures, which could equate to funding cuts in service user hours and delivery</p>		

	<p>to this vulnerable group of service users.</p> <p>Although, there are benefits to the workforce being in-house, there are risks if the staff choose not to TUPE across as there is no ready workforce in the Council; and the time to build this for such a specialist service would take too long. Thus, leaving highly vulnerable users without the care and support they need.</p> <p><i>(See Business Case at 4.1 for the full analysis)</i></p>		
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## 9. TENDER EVALUATION

### Evaluation

9.1 Supported living services for adults with a learning disability are classed as “Schedule 3 Services” under the Public Contracts Regulations 2015, and therefore come under the Light Touch Regime. The regime is a specific set of rules for certain service contracts, such as social care, that tend to be of lower interest to cross-border competition within the EU. The rules allow for some flexibility in the procurement approach that can be adopted.

9.2 A single-stage procurement process comprising of two parts was used for this tender. There were two separate sections contained in the same tender, a Selection Questionnaire (SQ) and Method Statements. Bidders were required to return responses to both sections and to pass all questions under the SQ in order to be considered for the tender.

9.3 12 submissions were received in total. However, following a full assessment of the SQ, only six had passed all of the related questions, including an experience-based question relating to the delivery of a supported living scheme to adults with profound and multiple learning disabilities (PMLD). The SQ allowed bidders to self-certify against technical ability, financial standing, and insurance criteria, in line with the Crown Commercial Service format.

9.4 The tender panel that evaluated all of the questions comprised core members from the Adults Commissioning team, plus an expert by experience. There was also a finance panel for scoring the pricing element.

Core Panel:

- Strategic Commissioning Manager - (Learning Disability)
- Quality Assurance Officer (Learning Disability)

Expert Panel:

- Senior Practitioner (Physiotherapist), Integrated Learning Disabilities Service

Finance Panel:

- Group Accountant (Adults Services)

9.5 There was an additional panel that scored a 15 minute presentation made by each bidder. The presentation panel was made up of:

- Advocate for Service Users
- Joint Strategic Commissioner, Learning Disabilities
- Senior Practitioner (Physiotherapist), Integrated Learning Disabilities Service
- Quality Assurance Officer, Learning Disabilities

9.6 All evaluation panels were supervised by a Procurement Officer and Procurement Manager.

9.7 During the clarification period set aside for questions, a large number of enquiries were received regarding TUPE. The TUPE liability for this contract is considerable, and other than basic information relating to a list of staff, grades and pay, enquiries for TUPE were redirected to the incumbent provider.

9.8 Due to the number of TUPE clarification questions and the delayed response that resulted from requests to the existing provider, made by organisations wishing to tender, it was agreed to extend the closing date from 4 June to 17 June 2018 (an extension of 9 working days).

9.9 The tender process consists of the following steps;

- Selection Questionnaire assessment
- Evaluation of responses to Method Statements
- Presentation
- Moderation of final scores by assessors
- Governance approval
- Bidder notification (successful and unsuccessful)
- Contract award

9.10 The following criteria were used to evaluate the tender.

<b>Scoring Criteria</b>	<b>Score</b>
<b>QUALITY SCORE</b>	
<b>Method Statement</b>	
1. Equality and Partnership Working	5%
2. Service User Involvement	10%
3. Service User Delivery	40%
4. Mobilisation and Transition	10%
5. Innovation and Change	5%
6. Personalisation	10%

7. Staffing	15%
8. Social Value	5%
	(100%)
<b>(a) Method Statement (Weighted) Score</b>	<b>60%</b>
<b>(b) Bidder Presentation Score</b>	<b>10%</b>
<b>Quality Total Score (a) + (b)</b>	<b>70%</b>
<b>Price Total</b>	<b>30%</b>
<b>TOTAL QUALITY AND PRICE</b>	<b>100%</b>

9.11 Responses to method statements were scored using the following scoring mechanism.

Score	Rating	Criteria for Awarding Score
0	Unacceptable	No response to the question.
1	Poor	Limited response provided or a response that is inadequate, substantially irrelevant, inaccurate or misleading
2	Below expectations	Response only partially addresses the question
3	Satisfactory	An acceptable response submitted in terms of level of detail, accuracy and relevance. The response is good but there are either some omissions of important factors or negative indications that reduce the extent to which the project aims will be achieved
4	Good	A comprehensive response submitted in terms of detail and relevance and clearly meets the project aims with no negative indicators or inconsistencies
5	Excellent	A more than comprehensive response submitted in terms of detail and relevance with no negative indications or inconsistencies

9.12 The price score was evaluated on the total five year cost based on a budget envelope.

## 10 RECOMMENDATION

10. 1 The tender panel **recommends that Provider D is awarded the contract** for the Supported Living Services at Homer and Wick Roads. Provider D has demonstrated that

it would be able to meet the full requirements of the specification and understands the needs of this service as evidenced through experience in delivering similar contracts elsewhere in London.

10.2 The proposed management structure is clear and should be able to support full delivery of the service as specified. Staff posts include a social inclusion team, volunteers, and an employment pool of experienced bank staff. The service will provide support to the core service hours as set out in the specification.

10.3 The provider offers a “Hackney-centric approach” which would ensure service user involvement through person centred planning. In addition, the panel was confident that the provider would be able to deliver outcomes-focused support, through the use of Best Interest Plans, which would be supported by the 12 qualified “Positive Behavioural Support” coaches available to the organisation.

10.4 The bid team presented a detailed and relevant “Mobilisation and Transition Plan” which set out a comprehensive risk assessment with mitigation, giving commissioners reassurance of being able to manage the TUPE obligations of the contract.

10.5 Furthermore, the panel felt that the bidder’s approach to personalisation demonstrated a clear understanding of the principles relating to the use of Individual Service Funds, which are a key component of the specification. The bidder’s approach ensures that finances, including Individual Service Funds, would be managed through clear and transparent accounting process.

10.6 The provider takes a values-based approach to recruitment, deploys proactive training and has a strong induction processes, including candidate observation. This has led to a lower staff turnover rate of 10%, which gave confidence in the continuity of support to people living in the two schemes. The evaluation panel also noted that Social Value would be enhanced by the approach to local job recruitment.

10.7 The final scores are outlined in the table below.

<b>Tender Results</b>			
	<b>Quality (70%)</b>	<b>Price (30%)</b>	<b>Total (100%)</b>
Provider A	49%	27.3%	76.3%
Provider B	45%	26.9%	71.9%
Provider C	50%	28%	78.0%
<b>Provider D</b>	<b>60%</b>	<b>29.8%</b>	<b>89.8%</b>
Provider E	39%	30%	69%
Provider F	56%	25.2%	81%

10.7 All bidders confirmed that they were committed to paying the London Living Wage.

**11 CONTRACT MANAGEMENT ARRANGEMENTS**

11.1 The contract will be managed by the Strategic Commissioner for Learning Disabilities, who sits within the Adult Services Commissioning Team.

11.2 Contract performance meetings will be held at least once per quarter, with more frequent meetings in the first few months while the new service is embedding. The Adult Services Commissioning Team has systems for performance monitoring, data collation and reporting as well as invoicing and this will all be set-up as standard for this contract. This will also involve ongoing service user feedback as well as feedback from stakeholders including social workers, care coordinators and health professionals.

## **12 Key Performance Indicators (KPIs):**

12.1 The KPIs will be monitored quarterly, and submitted to the Council in line with other contractual arrangements.

12.2 A detailed table setting out specific Key Performance Indicators for this service was submitted to Cabinet Procurement Committee on 10 December 2018 as part of the business case and is attached at Appendix 1.

## **13 COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES**

13.1 This report seeks approval to award a contract for supported living services for adults with learning disabilities at Homer and Wick Road. The recommendation of the report is to the contract to Provider D, and the contract will be for a five year period with the option to extend for a further two years (5+1+1). The annual contract value is £1.09m and the value over the five year life of the contract is £5.45m. The value over the maximum seven year life of the contract is £7.63m, and this will be funded from learning disabilities placement budget and will not result in a budget pressure for the Council. The new contract will commence in January 2020, and it is anticipated that a three month mobilisation period will be required.

13.2 The schemes will provide services for vulnerable results with complex needs in the borough, helping them to maintain independent living arrangements whilst avoiding the use of residential placements outside the borough. This will need to be monitored through quality assurance reviews during the contract. Funding during the contract may be subject to negotiations with the provider if there are legislative or unanticipated changes in the economic environment.

## **14 COMMENTS OF THE DIRECTOR OF LEGAL AND GOVERNANCE SERVICES**

14.1 The procurement in this Report was assessed as Medium Risk. Notwithstanding this the Business Case was approved by Cabinet Procurement Committee on 10<sup>th</sup> December 2018 and therefore this Report is being submitted to Cabinet Procurement Committee for contract award under paragraph 2.7.11 of Contract Standing Orders as the proposed contract value is above £2m

14.2 Details of the procurement process undertaken by officers are set out in this Report. The proposed award to Provider D follows a procurement process in respect of services which are classified as Social and other Specific Services under Schedule 3 of the Public Contracts Regulations 2015.

14.3 Legal Services will, subject to approval, assist with the drafting and execution of the applicable services agreement with the successful provider in due course.

## **15 COMMENTS OF THE PROCUREMENT CATEGORY LEAD**

15.1 The services outlined in this report are critical to ensuring good outcomes for vulnerable adults in Hackney, and it is good to see such high quality being scored by the winning bidder. The price is also competitive and the team have done well to get good responses through their market engagement and advertising of this procurement opportunity.

15.2 The provider has made good commitments to exploring innovation and sustainability.

15.3 The 'flex' payments are set at a price of £17.13 to 17.36 over the five years; the service area have checked that this does include uplift for London Living Wage. The Council may be moving some elements of the flex service to other providers in response to customer choice. This will need to be carefully monitored by the contract manager to ensure that this customer choice is realised and also that we do not duplicate costs.

15.4 For future tenders, it may be useful to review the time given to bidders to respond to tenders so that this can be built in early and avoid the need for delay in tender award decisions.

## **APPENDICES**

Appendix 1 - Key Performances Indicators

## **EXEMPT**

Exempt Appendix 2: Shortlist, Longlist and Scoring Tables

By Virtue of Paragraph(s) 3 Part 1 of schedule 12A of the Local Government Act 1972 this report and/or appendix is exempt because it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

## **CONFIDENTIAL**

No

## **BACKGROUND PAPERS**

None.

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# **Cabinet Procurement Committee**

**7 October 2019**

## **Re-Tender of Adults Learning Disabilities Supported Living Scheme at Homer And Wick Roads**

**Key Decision NO. CACH Q21**

**Appendix 1**

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## Key Performances Indicators (KPIs)

Key Outcomes:	Evidence: <i>To determine if these KPIs are being met shall include (but not limited to) updated evidence of:</i>
<p><b>1</b> <b>Service users regularly access appropriate and meaningful activities.</b> <i>These include activities both within and outside the scheme and service users are supported to engage in these through person-centred active support.</i></p>	<p>Regular holidays and short breaks at least one annual - 100%</p> <p>Service users engage in meaningful daily activities of personal care, domestic activities, leisure activities, and (where possible) work/volunteering.</p> <p>Weekly personalised activities schedules and diary/ personal logs that reflect participation in these.</p> <p>Links are in place with Client Affairs and families where necessary. Money clearly spent on service user's activities.</p> <p>Full financial support and benefits accessed.</p> <p>Staff have appropriate training (e.g. active support) and there is evidence they are putting the training into practice with users.</p> <p>The Provider will be proactive in sourcing appropriate meaningful activities for service users and demonstrate this.</p> <p>Use of least restrictive interventions.</p> <p>Staff are trained in and use active support.</p>
<p><b>2</b> <b>Service users are supported to maintain good health.</b> <i>This will include regular, demonstrable health checks and that there is evidence of compliance</i></p>	<p>Health Action Plans in place and up to date - 100%</p> <p>Service users will be supported to access an annual health check -100%</p>

	<p><i>with health practitioner guidelines and health action plans.</i></p>	<p>Where professional guidelines are in place, the provider will provide evidence that these are being followed - Reviews.</p> <p>Hospital Passports are in place and readily produced when needed – 100%.</p> <p>Service users will access primary health services on a regular basis for routine checks and screening</p> <p>Service users maintain an appropriate BMI with an action plan in place for when they don't.</p> <p>Health support documents will be comprehensive, accurate and up to date - QA and Review</p> <p>Unnecessary admissions will be prevented through clear risk management strategies and pathways that alert and support access to relevant health professionals/services.</p> <p>Staff will be up to date with mandatory training and implementation of this demonstrated by relevant documentation e.g. training matrix, risk assessments in place; staff trained to Level 2 minimum.</p> <p>All service users will have an up to date personal profile [pen picture] on file.</p> <p>An up to date communication strategy will be in place and applied to each service user - Review.</p> <p>Any medication will be reviewed and monitored appropriately.</p> <p>Service is NICE Compliant</p>
3	<p><b>Service users are supported by good</b></p>	<p>Person centred Plans will be in place – 100%.</p>

<p><b>quality staff in a personalised way.</b>  <i>This includes staff who are able to communicate with and on behalf of service users, with appropriate qualifications or equivalent experience. Methods to develop Personalisation in the schemes will be considered as the contract progresses.</i></p>	<p>Care and support is delivered in a personalised way to help service users attain their goals and aspirations and demonstrated through activity plans and personal budget spend.</p> <p>In cases of behaviour that challenges: Individualised Positive Behavioural Support Plans will be in place for all those who demonstrate behaviour that challenges. These include triggers; methods for prevention, staff response and a coherent strategy for replacing the challenging behaviours with more acceptable behaviours over time.</p> <p>The following communication standards are in place and evidenced e.g. notes audit:</p> <ol style="list-style-type: none"> <li>1: There is a detailed description of how best to communicate with individuals.</li> <li>2: Service demonstrate how it supports individuals using a variety of appropriate communication methods to be involved with decisions about their care and their service. Evidence of individuals involved in choice-making.</li> <li>3: Staff value and use competently the best approaches to communication with each individual they support.</li> <li>4: Services create opportunities, relationships and environments that make individuals want to communicate.</li> <li>5: Individuals are supported to understand and express their needs in relation to their health and wellbeing – HAP is in accessible format.</li> </ol> <p>Service users choose who supports them e.g. involvement in recruitment.</p>
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		<p>Service users choose how they are supported</p> <p>Access to advocacy for those who need it.</p> <p>Service users will have a range of non-paid social networks.</p> <p>Agreed outcome focussed support plans are in place for all users</p>
4	<p><b>Service users are safe and secure, but supported to take positive risks.</b></p> <p><i>Vulnerable service users are safe but able to take opportunities to try new experiences and develop skills.</i></p>	<p>Deprivation of Liberty Safeguards are in place where identified.</p> <p>Safeguarding procedures are adhered to, staff are aware.</p> <p>Service users are given opportunities to try new things.</p> <p>Person Centred Plans are in place that detail service user strengths and aspirations – 100%</p> <p>Outcomes' focussed support plans are in place for all service users – 100%.</p> <p>Up to date, relevant risk assessments are in place for all users and staff are aware of them – 100%.</p> <p>Support plans and daily logs identify the service users are involved in decisions about their care.</p> <p>Support staff are consistent – e.g. rotas.</p> <p>Incident monitoring – outcomes are logged and learning implemented from these.</p> <p>Service users access appropriate technologies that promote communication and engagement, improve quality of life and promote choice and control.</p>



<b>5</b>	<p><b>Service users have an agreed and active social network.</b></p> <p><i>They will make use of community facilities including social, cultural and arts activities, faith organisations and maintain relationships with friends and family.</i></p>	<p>Structured activity timetables/diaries are in place and there is evidence that all service users engage in these.</p> <p>There is evidence that all service users regularly access the community and actively participate in community activities and with others.</p> <p>Each service user has a Circle of Support in place [e.g. as per <a href="https://www.mentalhealth.org.uk/sites/default/files/a-guide-to-circles-of-support.pdf">https://www.mentalhealth.org.uk/sites/default/files/a-guide-to-circles-of-support.pdf</a>].</p> <p>Cultural needs are taken into account in planning and delivery of support provision in all support plans.</p>
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Evidence of the KPIs will be obtained through methods such as quarterly reporting; case examples/ narratives submitted by the provider; individual Reviews by ILDS; contract and service meetings or reviews and spot checks by Commissioning and QA.

## ACTIVITY DATA

The Provider will also be required to submit the following activity/performance data on a quarterly basis:

Staffing	Staff hours delivered per flat Agency or relief staff hours delivered per flat
Incidents, Complaints and Complements	Number, Issue and Outcome
Safeguarding	Number, Issue and Outcome



**DELEGATED POWERS REPORT OF THE GROUP DIRECTOR OF CHILDREN'S,  
ADULTS AND COMMUNITY HEALTH IN CONSULTATION WITH THE GROUP  
DIRECTOR OF FINANCE AND RESOURCES**

**CONTRACT AWARD REPORT FOR THE JOINT COMMISSIONING OF  
RESIDENTIAL CHILDREN'S HOMES FOR LOOKED AFTER CHILDREN  
ACROSS NORTH EAST LONDON**

**DATE**

7 October 2019

**CLASSIFICATION:**

Open

If exempt, the reason will be listed in the main body of this report.

**WARD(S) AFFECTED**

All Wards

## 1. SUMMARY

- 1.1 The proposal in this report sets out an exciting opportunity to join with seven London Boroughs to jointly commission local residential provision for Looked after Children. This initiative would make a significant difference in the way that children and young people experience residential care. Currently most children who, because of their needs, require a placement within a specialist provision such as a residential children's home, are placed at a considerable distance from home.
- 1.2 Children's homes can provide support and care for some of our most vulnerable children and young people. We want each child in our care to be provided with the right placement at the right time, and for residential care to be a positive and beneficial choice for children and young people. By working together with other Local Authorities we have an opportunity to deliver significant improvements to the outcomes for children in residential care. By improving availability in the North East London footprint, we can ensure children are kept closer to home and their communities, and are supported by highly skilled staff and experience culturally appropriate placements. We can work closely with our partner Local Authorities and providers to focus on valuing our young people's heritage, promoting family and sibling contact and community ties and therefore making the transition back home, or supporting young people onto independence in the local community, easier.
- 1.3 The Council has a legal obligation under the Children Act 1989 to provide suitable accommodation for Looked after Children and fulfil its corporate parenting duty. It is the collective responsibility of the Council, elected members, employees and partner agencies to provide the best possible care and safeguarding for the children who are looked after by London Borough of Hackney.
- 1.4 The contract recommended in this report will deliver 35 residential children home placements in the North East London footprint that offer better outcomes for children and young people and best value for Local Authorities through achieving economies of scale through a block contract. As well as strong contract management arrangements there will be a strong process in place to avoid or minimise voids. 5 of these places are for Hackney.
- 1.5 The proposed long term outcomes of the project include: increasing the sufficiency of suitable placements, piloting sub regional commissioning arrangements with the view of expanding this to other Local Authorities in the future and, increasing value for money for Local Authorities. This will ultimately, partly address some of the cost pressure on the service. The service will support young people's rehabilitation back to a family environment if appropriate, support young people to develop independent living skills, meet demand for emergency placements, ensure placements are more stable and deliver better outcomes for children and young people. This proposed scheme will in part address the lack of suitable provision in North East London, and address the commissioning difficulties all the partner Local Authorities face when sourcing residential children's homes.

- 1.6 We will ensure the focus remains on education by supporting children and young people to maintain their school places and peer networks. The Contextual Safeguarding Team based in Hackney continues to be a valuable resource by supporting to keep children safe in their communities. By keeping children and young people closer to Hackney we can ensure that there is continuity in the services offered to young people such as clinical services; ensuring that young people struggling with their mental health get the support that they need. By creating more service provision in East London we will also be creating job opportunities for local people.

## **2 RECOMMENDATION(S)**

- 2.1 **The Group Director of CACH, in consultation with the Group Director of Finance and Resources, is recommended to award the contract for the Joint Commissioning of Residential Children's Homes for Looked after Children across North East London to Provider A. This will be for a period of 4 years, with the option to extend twice for two further years (4 + 2 + 2).**
- 2.2 **London Borough of Hackney's contribution to the provision will cost up to £5,483,378 for a period of eight (8) years. The annual cost breakdown is £685,422.**
- 2.3 **The total contract value across all eight authorities is £38,383,649.**
- 2.4 **To support the management of the contract, the contributing boroughs will be agreeing a small value contract charge sum – estimated to be less than c10K per annum to the host authority (Havering).**

## **3. RELATED DECISIONS**

- 3.1 Cabinet Procurement Committee agreed to the procurement of this service in December 2018. A reference to the Business Case can be found at the link below. It was agreed here that due to the need to coordinate sign off by 8 boroughs, the decision to award the contract would be made by the Group Director of CACH in consultation with the Group Director of Finance and Resources. The decision would then be submitted to CPC.

<http://mginternet.hackney.gov.uk/documents/s63206/101218%20CPC%20JOINT%20COMMISSIONING%20OF%20RESIDENTIAL.pdf>

## **4. REASONS FOR DECISION/OPTIONS APPRAISAL.**

- 4.1 The Department for Education's (DfE) Children's Social Care Innovation Programme has awarded the East London Health & Care Partnership

(formerly the North East London Sustainability and Transformation Partnership) (the “Partnership”) £835K funding over 3 years in July 2017 to support the commissioning and contract management functions of up to 35 residential placements (up to 5 per borough) for Looked after Children within the geographical footprint of North East London.

- 4.2 The Partnership brings together 8 Local Authorities and 12 NHS organisations in the areas within: Havering, Hackney, Barking and Dagenham; Tower Hamlets, Newham, Waltham Forest, Redbridge and The Corporation of the City of London.
- 4.3 The local authorities have negotiated a Partnership agreement enabling the London Borough of Havering to operate as the contracting authority with the responsibility of commissioning these Looked after Children placements on their behalf.
- 4.4 The governance for this project includes a Strategic Partnership Board and an Operational Board with delegates from each local authority that meet regularly. The governance for this project includes a robust mechanism for dispute resolution and escalation. Once the contract is operational, the London Borough of Hackney will receive quarterly management reports and monthly updates will be presented to the Boards which Hackney representatives will attend. This will help us to ensure the needs and interests of Hackney Looked after Children are met.
- 4.5 After the first three years the member local authorities will need to negotiate their ongoing contribution to the sub regional commissioning functions going forward. This is expected to be in the region of £10k per year and will be finalised by the Strategic Partnership Board before September 2019.

#### **4.6 ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)**

- 4.6.1 For a full appraisal of the options considered please see the Business Case.

##### **i) Option 1 - Spot purchasing placements**

To remain ‘as is’ with the eight local authorities competing with each other for spot purchase placements. This option was rejected as it offers poor value for money and inefficient commissioning arrangements. The spot purchase arrangements make it difficult to have leverage to support the improvement of quality in delivery and a focus on outcomes for children and young people.

##### **ii) Option 2 - Hackney only block contracting arrangement**

Going out to market just for a Hackney only service would not offer the same opportunities for economies of scale and influence that an eight-borough tender across North East London would offer. In addition, the DfE Innovation Fund was specifically awarded to promote and test sub-regional joint commissioning, based on the success of a similar programme in Buckinghamshire.

### **iii) Option 3 – Council run Children’s Home**

Hackney does not run any residential children’s homes, and is therefore reliant on agency-run homes. The cost of these residential placements is significant, with current spot purchase arrangement being an average weekly cost of £3,534 per week (excluding education) as of 2018. This cost is in comparison to the £2,636 per week under the proposed block contract arrangement (note: the above figures are based on average costs for the whole Partnership and also assume full occupancy. As such, they are only indicative at this point in time). In September 2016, scoping the possibility of a children’s home for 6 residential places run by Hackney Council took place. It was concluded at the time that this option was not viable. A summary of the pros and cons are detailed in the original BC (see section 4 for link).

## **5. PROJECT PROGRESS**

### **5.1 Developments since the Business Case approval:**

5.1.1 Before approving the contract award, Havering legal advisors reviewed the partnership agreement and sought clarity on the risks and obligations of each local authority to the contract. This has resulted in agreement that will lead to an updated partnership agreement. This is still to be signed off and will clarify individual local authority responsibilities. A letter of comfort has been signed by each borough section 151 officer to indicate agreement to vary the partnership agreement – which is currently being reviewed by Hackney’s legal team. On this basis the contract was awarded to the successful bidder by Havering.

5.1.2 Upon going out to tender further consideration was given to the different needs of the group of young people and how to support them in their new homes. It was agreed that the tender would seek extra support services to ensure that young people are able to thrive in their new homes. To support this, bidders were asked to provide low, medium and high level services and costs depending on the amount of support a young person needs. This will be strictly managed and authorised by the Placements Manager.

### **5.2 Whole Life Costing/Budgets:**

5.2.1 The estimated total value of the services attributable to the Council is up to £5,483,378 over 8 years (plus management fees to the London Borough of Havering of £10K per year for 5 years, as the first 3 years are covered by the Innovation Funding). This has risen from the original business case figure of £5.25M (see paragraph above 5.1.2). The new prices enable the following service levels to be delivered:

## 5.2.2 Service Levels/ Bands:

Low	placement costs including: <ul style="list-style-type: none"> <li>• Assessment of needs</li> <li>• Care and accommodation</li> <li>• Clothing and general school uniform</li> <li>• Personal allowances</li> <li>• Equipment and resources</li> </ul>
Medium	placement costs plus: <ul style="list-style-type: none"> <li>• Appropriate adult work</li> <li>• Court attendances</li> <li>• Increased Staff ratios in excess of 1/3 but below 2/1</li> </ul>
High	Low and Medium support plus: <ul style="list-style-type: none"> <li>• Emergency therapeutic interventions</li> <li>• Further increased staffing ratios in excess of 2/1</li> </ul>

5.2.3 The fee paid for a low level of need placement will form a core payment; the fee for a medium level of need placement will include the payment made for a low-level of need placement plus a fixed fee for the additional level of activities and tasks that need to be carried out. The fee for a high-level of need placement will include the total payment made for a medium level of need placement plus a fixed fee for the additional level of activities and tasks that need to be carried out.

5.2.4 The total contract value and the financial bid submitted by Provider A is detailed below:

<b>Contract Element</b>	<b>Annual Cost (£ ex VAT)</b>	<b>Total Contract Cost (£ ex VAT)</b>
Low Support Cost	£4,388,575.80	£35,108,606.40
Medium Support Cost	£276,480.24	£2,211,841.92
High Support Cost	£132,900.12	£1,063,200.96
<b>Contract Element</b>	<b>Annual Cost (£ ex VAT)</b>	<b>Total Contract Cost (£ ex VAT)</b>
Low Support Cost	£4,388,575.80	£35,108,606.40
Medium Support Cost	£276,480.24	£2,211,841.92
High Support Cost	£132,900.12	£1,063,200.96
<b>Total (£ ex VAT)</b>	<b>£4,797,965.16</b>	<b>£38,383,649.28</b>
<b>Total (£ ex VAT)</b>	<b>£4,797,965.16</b>	<b>£38,383,649.28</b>

5.2.5 The total annual budget for up to 5 placements is £685,422 giving an average weekly price per placement of £2,636 (note: the above figures are based on average costs for the whole Partnership based on the submitted financial bid of the successful provider and also assume full occupancy. As such, they are only indicative at this point in time).



5.2.6 The contract value is based on the average low, medium and high support needs of young people living in children's homes for 2017-2018 across the partnership. Across the partnership this was 35 low spaces, 20 medium, and 12 high.

Support Level	Weekly cost, per placement (£)	Annual cost, per placement (£)	Annual cost, 5 placements (£)	Total Contract Cost (£) over 8 years
Low	2,411.30	125,387.60	626,938.00	£5,015,504.00
Medium	2,563.21	133,286.92	666,434.60	£5,331,476.80
High	2,636.23	137,083.96	685,419.80	£5,483,358.40

5.2.7 The total contract cost for London Borough of Hackney will therefore be between £5.M and £5.49M for the full 8 years.

5.2.8 As detailed in the specification and the tender documents, the placing local authority is responsible for setting the need of the child at referral stage, not the provider.

5.2.9 Placements will not be at 100% occupancy from the outset of the contract. The Local Authorities in the Partnership will identify how many Looked after Children they can transfer into the new placements and the expected timescales they can move towards 100% occupancy. The contract will allow the Partnership only to pay for the used beds during the scale up to 100% occupancy in the first twelve months. This will be agreed at contract implementation and a clear process and timescales will be agreed.

5.2.10 The contract will be clear that there is no annual uplift, and the price is set for the lifetime of the contract.

5.2.11 7% of this annual price, is linked to performance. The provider will have to demonstrate to the contract manager and the strategic board how they have delivered innovation in the contract in order to release this value.

5.2.12 There is still a need to agree the management fee for this contract, payable to Havering. This will be led by the Director of children's social care at the project board meetings and is likely to be 10K per annum and is payable only once the DfE money has ended after year 3.

### 5.3 Savings:

**Table 1: Potential Savings based on Low, Medium and High support**

<b>Support Level - Low</b>						
Occupancy (Beds)	5	4	3	2	1	0
Occupancy Rate (%)	100%	80%	60%	40%	20%	0%
Annual Contract (5 Beds)	627,000	627,000	627,000	627,000	627,000	627,000
Annual expenditure (2018/19 Rate)	921,544	737,235	552,926	368,618	184,309	-
Anticipated Annual Savings	294,544	110,235	-74,074	-258,382	-442,691	-627,000
Anticipated Savings (over eight years)	2,356,352	881,882	-592,589	-2,067,059	-3,541,530	-5,016,000
<b>Support Level - Medium</b>						
Occupancy (Beds)	5	4	3	2	1	0
Occupancy Rate (%)	100%	80%	60%	40%	20%	0%
Annual Contract (5 Beds)	666,500	666,500	666,500	666,500	666,500	666,500
Annual expenditure (2018/19 Rate)	921,544	737,235	552,926	368,618	184,309	-
Anticipated Annual Savings	255,044	70,735	-113,574	-297,882	-482,191	-666,500
Anticipated Savings (over eight years)	2,040,352	565,882	-908,589	-2,383,059	-3,857,530	-5,332,000
<b>Support Level - High</b>						
Occupancy (Beds)	5	4	3	2	1	0
Occupancy Rate (%)	100%	80%	60%	40%	20%	0%
Annual Contract (5 Beds)	685,500	685,500	685,500	685,500	685,500	685,500
Annual expenditure (2018/19 Rate)	921,544	737,235	552,926	368,618	184,309	-
Anticipated Annual Savings	236,044	51,735	-132,574	-316,882	-501,191	-685,500
Anticipated Savings (over eight years)	1,888,352	413,882	-1,060,589	-2,535,059	-4,009,530	-5,484,000

5.3.1 If full occupancy is achieved from the start of the contract, the savings over the life of the whole project will be in the region of £1.8 - £2.3 million. However, given that there may be times when there are voids over the 8 years, 100% of savings is unlikely to be achieved. The development of an internal market to enable partner Local Authorities to sell their vacant beds if needed to each other will support the reduction of paying for voids.

5.3.2 The Council is confident that savings would be achieved and aim for a 90% occupancy rate over the whole life of the contract. Given that the number of young people who require residential care has been consistently rising over the last 3 years this is viewed as achievable.

5.3.3 The average annual numbers of Hackney children in residential care for 2018/19 is at 25, so 5 beds is 1/5 of the total and the Council do not envisage these numbers reducing to below 5.

5.3.4 Prior to the mobilisation the Hackney Children and Families Service will be identifying any suitable young people that may be able to move to the new provision, and it is envisaged that all new placements will be made within the block contract if appropriate. The below table shows the analysis of current residential care trends over the last three years detailing how average client numbers have increased from 20 in 2016 to 25 in 2018. The below table also shows the increasing weekly cost, where the proposed fee in the contract is significantly lower and could deliver cost reduction over the life time of the contract.

	2016/17	2017/18	2018/19*
Outturn/Forecast (£)	3,237,631	3,975,392	5,268,540
Avg. Weekly Residential (£)	3,397	3,264	3,535
Avg. Annual Residential (£)	177,100	170,200	184,309
Avg. Clients Numbers	20	24	25
* Forecast			

5.3.5 Annual cost savings from this procurement for the London Borough of Hackney are estimated to be in the region of £52K - £294K per year. Additional efficiencies will be achieved through the reduction of duplication by individual local authority placement teams. The proposed process will have significant impact on the Children and Families Service, and the necessity to meet future demand of residential care for Looked after Children. By securing a block contract, this will ensure the availability of 5 beds across the North East London footprint for Hackney children to be able to access.

5.3.6 The London Borough of Havering is the lead authority and will be responsible for contract procurement, management and monitoring functions. Placements will not be at 100% occupancy from the outset of the contract. The Local Authorities in the Partnership will identify how many Looked after Children they can transfer into the new placements and the expected timescales they can move towards 100% occupancy. The contract will allow the Partnership only to pay for the used beds during the scale up to 100%. We will work closely with the London Borough of Havering and continue the regular partnership meetings and ensure a robust governance process is in place.

## **6. SUSTAINABILITY ISSUES**

### **6.1 Equality Impact Assessment and Equality Issues:**

6.1.1 The RAT categorised this procurement to be high risk.

6.1.2 No adverse impact on any groups were identified through the PRIMAS. Through this contract the successful Provider is required to meet the

culturally diverse needs of all young people. The service will contribute towards reduced levels of placement disruption for those children in care.

6.1.3 The wellbeing of children in the borough and ensuring that potentially vulnerable children and young people are safely housed and supported based on their needs, is a fundamental responsibility of the Council.

6.1.4 Integrated service provision will enable children and young people to be safeguarded while being housed and allows them to experience services within the community in a safe way, thereby, contributing to positive life chances, educational and social development.

## **6.2 Environmental Issues:**

6.2.1 There are no negative environmental issues identified in the PRIMAS. The procurement of this service will allow Hackney children and young people who are best placed in a residential children's home to be placed closer to home rather than at a distance. This will support the cultural, religious needs of young people and promote family contact. This will also reduce the travel costs to the Council where social workers have to complete statutory visits at a distance, and have a positive impact on the environment as professionals will be able to visit children and young people via public transport.

## **6.3 Economic Issues:**

6.3.1 There are no negative economic issues identified in the PRIMAS. One of the Partnership's priorities is to improve the quality of residential children's homes in the North East London area so more children and young people can be placed locally. To this end, the Partnership will provide systemic practice training and develop the residential workforce to deliver a higher quality of care and better outcomes to our Looked after Children.

6.3.2 The Partnership will work with learning and development teams across the Partnership to support residential care workers to complete systemic family practice training and residential care qualifications level 5. This training will also ensure staff are able to develop a sustainable plan to step-down from residential care for all young people. Upskilling the workforce will lead to improved outcomes for children and young people.

6.3.3 There was a clear expectation in the initial tender and specification document that providers will pay their staff at least the London Living Wage.

## **7. TENDER EVALUATION**

## 7.1 Evaluation:

- 7.1.1 The procurement was carried out by the London Borough of Havering on behalf of the eight boroughs in the partnership. Staff from Hackney Council were fully involved in the preparation for the tender opportunity. The process followed a one stage open tender route. All tender documents, including a full specification, were available from the date of advert in line with the Public Contract Regulations (2015).
- 7.1.2 The value of the Services exceeded the relevant EU procurement threshold and therefore the opportunity was advertised via the Official Journal of the European Union (OJEU), as well as Contracts Finder.
- 7.1.3 The tender evaluation team included representatives from all the local authorities in the partnership and young people. The evaluators had been included in the development of the contract specification and the evaluation matrix.
- 7.1.4 Twenty seven expressions of interest (EOIs) were received from individual organisations, resulting in four bid submissions.
- 7.1.5 There were fifteen members of the tender panel, two representatives from each local authority (except for City of London – which had one representative), and Silver Lined Horizons the youth participation partner facilitated the young people to submit evaluations. The tender panel was made up of representatives from different areas of expertise including commissioning, procurement, social care, youth participation, and heads of service from the partner authorities. Hackney was represented by the Head of Corporate Parenting and the Resource Manager for PMU who were fully involved in the qualitative aspects of the tender evaluation.
- 7.1.6 All Bidders meeting the selection criteria (set out in the selection criteria) proceeded to the to the final evaluation stage. In total, four suppliers completed and submitted their tender documents by the closing date of 11th February 2019.
- 7.1.7 The evaluations were based on a quality price split of 50:50. (see table below).
- 7.1.8 One supplier withdrew themselves from the process during the clarification meetings as it was evident that they would not be able to provide placements for all cohorts of young people. Two of the remaining suppliers submitted a cost for the service that were within the parameters set by the partnership. One supplier submitted a costs that were considerably over the advised budget.
- 7.1.9 The tender was evaluated on the following criteria. This criteria was established with each local authority and in consultation with young people and providers:

Scoring Criteria	Score
<b>Quality</b>	<b>50%</b>
Service Delivery & Quality	25%
Safeguarding	10%
Outcomes	10%
Staffing	5%
<b>Price</b>	<b>50%</b>

7.1.10 As part of the evaluation, the project board met to consider the commercial and technical scores as well as comment on the quality of the submissions from the three remaining bids in the tender process. At this meeting the board were able to agree on the most favourable bid to recommend for award. In summary, the scores of the bids tendering are presented below:

Tender Results			
Bidder	Technical Score	Commercial Score	Total Score
Provider A	35.500	47.297	82.797
Provider B	29.500	50.000	79.500
Provider C	41.000	38.419	79.419

7.1.11 The panel agreed Provider A had the most sustainable proposal.

**7.2 Recommendation:** The tender panel recommend that Provider A is awarded the contract for the Joint Commissioning of Residential Children’s Homes across North East London. Provider A has demonstrated that they would be able to meet the full requirements of the specification and that they understood the need for effective communication and excellent partnership working. They demonstrated a good knowledge of the needs of the young people in the partnership and a strong child focused approach in their delivery.

**7.3 London Living Wage:** The bidders were asked in their tender submission whether they were committed to paying the London Living Wage, and all confirmed this.

## 8. CONTRACT MANAGEMENT ARRANGEMENTS

**8.1 Resources and Project Management (Roles and Responsibilities):**

8.2 London Borough of Havering will lead on the contract management and referral function on behalf of the Partnership. The central brokerage function will be developed over the first year of the programme. There will also be a contract manager appointed by the lead authority to oversee the management of the contract, this post has now been advertised. Costs for this are shared by the partnership, and covered by the initial DfE grant.

8.3 The London Borough of Hackney will receive quarterly management reports and monthly updates will be presented to the Partnership Board, which Hackney representatives will attend. Throughout these regular meetings, we will ensure the needs and interests of Hackney Looked after Children remain represented. There will be a robust escalation process in place.

8.5 Mobilisation will be led by the Resource Manager for PMU.

**8.6 Key Performance Indicators:**

The KPIs will be monitored quarterly, with these being submitted to the lead local authority in line with other contractual arrangements.

8.6 A full list of the Key Performance Indicators can be found in Appendix 1 and a summary is also listed below

Main KPI Targets Set	Monitoring
1. Placement stability	Quarterly reporting collated by the lead authority & shared with the partnership
2. Placement suitability	Quarterly reporting collated by the lead authority & shared with the partnership
3. General indicators linked to local priorities	Quarterly reporting collated by the lead authority & shared with the partnership
4. Individual child outcome Monitoring	Quarterly reporting collated by the lead authority & shared with the partnership
5. Financial monitoring	Quarterly reporting collated by the lead authority & shared with the partnership

**9. COMMENTS OF THE CORPORATE DIRECTOR OF FINANCE AND RESOURCES**

9.1 This reports recommends to award the contract for the joint commissioning of up to 35 children's residential placements for looked after children across eight local authorities across North East London (NEL) Partnership to Provider A. This will be a block contract, and will be

for a period of four years, with the option to extend twice for two further years (4+2+2).

- 9.2 The total estimate value of the procurement of the service over the maximum life of the contract is £38.4m allocation across the eight North East London Partnership Authorities. The annual cost to the London Borough of Hackney will be up to £685k per year inclusive of management fees (no management fee for the first three years as this period will be funded by the Innovation Fund). The whole life cost to the department will be £5.5m over the maximum eight year life of the block contract. This will be met from existing budgets within Children and Families, and will not increase the budget pressure for the Council.
- 9.3 Children's residential placements are the most expensive looked after care provision and currently average cost of around £190k per annum, and this represents the most significant cost pressure for the Children's and Families division. By entering the tender process to block purchase residential placements for looked after children, there is a potential to reduce our current costs by £52k-£294k per annum depending on the level of support for the young person. This could generate a saving in the range of £0.4m-£2.4m over the maximum life of the contract as long as there is a minimum occupancy rate of four children placed for the duration of the Partnership. Further details of the savings are provided in Section 5.3 of the report. The Council is confident that the occupancy rate will be achieved as the number of children in residential placements continue to increase over the last couple of years.
- 9.4 In-sourcing of the service was considered as an alternative method of service delivery, however this option was not deemed to be feasible. Further details are provided in the original business case.

## **10. COMMENTS OF THE CORPORATE DIRECTOR OF LEGAL, HR AND REGULATORY SERVICES**

- 10.1 Cabinet Procurement Committee agreed on 10<sup>th</sup> December 2018 to delegate authority to Group Director of Children, Adults and Community Health, in consultation with the Group Director of Finance and Corporate Resources, to award the contract for Residential Children's Homes for Looked after Children.
- 10.2 This Report sets out the details of the award of such contract arising under the delegation to the Group Director of Children, Adults and Community Health and also sets out details of the procurement process undertaken by the London Borough of Havering as contracting authority on behalf of the North East London Sustainability and Transformation Partnership. Legal Services will assist with the drafting and execution of the contract arising from the award of contract as requested.

## **11. COMMENTS OF THE CATEGORY LEAD**



- 11.1 Joining together in this opportunity with similar local authorities will help Hackney Council to improve outcomes for young people. The ability to live locally is important for our young people, as is their requirements to be safe and have opportunities to thrive.
- 11.2 The collaborative arrangements if well managed, should enable Hackney to reduce costs of c.£2m over the possible eight year period of the contract. The break period for this contract is at 4 years, with renewal for up to four further years.
- 11.3 The partnership agreement does allow the local authority to give notice to the arrangements, and it is important that effective contract management and future profiling of need is carried out to ensure that residential as opposed to other forms of care arrangements are still suitable for our young people. Hackney legal are reviewing the overarching partnership arrangements.
- 11.4 The Placements team will need to control costs through the level of service purchased. 5 placements at high cost will be £685,620. per annum. The weekly unit costs are as follows:
- |         |         |
|---------|---------|
| Core:   | £.2412. |
| Medium: | £ 2564. |
| High:   | £ 2637. |
- 11.5 Working collaboratively, we are also able to “sell” spaces to other local authorities should Hackney see a dip in need. At the moment the procurement only covers 20% of anticipated need and through the establishment of several different homes we will be able to offer our young people choice in where they choose to live and more importantly safety and the right environment.
- 11.6 The procurement process was preceded by extensive market engagement, with both providers and young people able to feed into the tender exercise and inform the final development of the specification. The procurement was run by London Borough of Havering and was carried out following the Open Procedure but under the Light Touch rules.

## **APPENDICES**

Appendix 1: Key Performance Indicators

## **EXEMPT**

Exempt Appendix 2

By Virtue of Paragraph(s) 3 Part 1 of schedule 12A of the Local Government Act 1972 this report and/or appendix is exempt because it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

**CONFIDENTIAL**

No

## BACKGROUND PAPERS

In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required

### Description of document (or None)

None.

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<b>Approval from Group Director Finance and Corporate Resources, Ian Williams</b>	 Date: 13.09.19

## **Open Appendix 1**

**A comprehensive list of organisational performance indicators to be tracked through the residential programme**

### **Organisational Aggregated Monitoring.**

#### **Placement Stability:**

- Stability Index (Developed by the Office of the Children's Commissioner)
- Number of placement moves
- Number of unauthorised absences and missing episodes

#### **Placement suitability:**

- Feedback from young people
- Number of unplanned placement moves
- Wellbeing of young people in residential placements measured through the Strengths and Difficulties Questionnaire

#### **General indicators:**

- The number of new local placement options within the sub-region
- Improved educational attainment - the percentage of those in care achieving 5 A\*-C for GCSEs
- Staying close – all young people placed in residential care through this programme will be placed within 20 miles of their home authority
- Child Satisfaction measured through surveys
- The number of young people involved in co-production, through membership of the young person's forum and contract management.
- Residential provider satisfaction measured through surveys
- Local Authority satisfaction across the Partnership measured through surveys
- The number of young people engaged with community professionals, i.e. Child and Adolescent Mental Health Services and health providers.

### **Individual Child Outcome Monitoring:**

**The Partnership will also be monitoring individual children's progress towards their personal targets. This will be accomplished using:**

- Care plans
- Stepdown plans
- Personal education plans

### **Financial Monitoring:**

- Average weekly cost of residential placements inside of the Partnership's geographical footprint, compared to the cost outside of the footprint
- Average duration of residential placement
- Reduction in overhead cost savings from young people placed less than twenty miles from their originating community
- The number of young people who are sustainably stepped-down from residential placements
- The reduction in overhead costs delivered through smarter commissioning and a centralised approach
- Reduced usage of secure placements



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