

**CABINET PROCUREMENT & INSOURCING COMMITTEE**

**CONTRACT AWARD REPORT**

<b>Title of Report</b>	<b>Provision of advice and support to single homeless clients at the Greenhouse</b>
<b>Key Decision No.</b>	FCR S168_Provision of advice and support to single homeless
<b>CPIC Meeting Date</b>	13th March 2023
<b>Classification</b>	Open / Exempt (incl. reason)
<b>Ward(s) Affected</b>	All
<b>Cabinet Member</b>	<b>Philip Glanville (Mayor) Cllr Sade Etti, Mayoral Adviser for Homelessness, Housing Needs and Rough Sleeping.</b>
<b>Key Decision</b>	<p>_____</p> <p>Yes</p> <p>_____</p> <p>.</p> <p>This results in the Council incurring expenditure or savings which are significant having regard to the Council's budget for the service/function. Significant in terms of its effects on communities living or working in an area comprising two or more wards.</p>
<b>Group Director</b>	Ian Williams, Group Director, Finance & Corporate Resources
<b>Contract value, <u>both</u> Inclusive of VAT and Exclusive of VAT (for the duration of the contract including extensions)</b>	<b>£2,015,625.00</b>

## **1. Cabinet Member's Introduction**

- 1.1. Hackney Council remains committed to preventing and reducing homelessness, tackling the causes of homelessness and supporting those in need.
- 1.2. Sadly despite all our efforts, homelessness in the borough is still rising, and the Council has to continue to adapt and refresh its response in a period of unprecedented change, including rapidly rising property values and rents, an increased demand for social housing across the board, and supporting residents through significant welfare reform. The Council has put in place a comprehensive Homelessness Strategy that builds on the achievements, whilst responding and adapting to the changing environment in which homelessness and support services are delivered.
- 1.3. Central to this is the provision of frontline advice and guidance on housing options to single clients. This is achieved through our Greenhouse Service, which takes an innovative approach to meeting the needs of that section of the community that finds it most difficult to engage. It provides a welcoming and relaxed environment that is more approachable for service users than a Council building.
- 1.4. The Greenhouse remains innovative and is a high performing service providing health, employment, benefits and housing advice. It provides a walk in service and appointment based service for single homelessness, with comprehensive housing, welfare and employment advice and support to all single people, coupled with the health offer. In addition it offers showering facilities for the street homeless.
- 1.5. The Greenhouse is based in Tudor Road and was initially launched in 2007, as a partnership between Hackney Council, NHS England and Thames Reach. Thames Reach was commissioned to deliver the frontline customer interaction as a specialist service.
- 1.6. The Homelessness Reduction Act 2017 (HRA) introduced new responsibilities upon local authorities to people who are either experiencing or are at risk of homelessness, regardless of priority need. We welcomed that wider duty, but at the time warned that without proper additional funding and investment by the Government in pathways and capacity to meet these duties it would put additional pressures on the system and those we serve.

- 1.7. The HRA requires the London Borough of Hackney to take “reasonable steps” to prevent and relieve homelessness within 56 days of when a person is threatened with becoming homeless or is already homeless. We always had a prevention based approach, but this has increased the number of presentations to the London Borough of Hackney of people who can, in law, expect some type of service from the Benefits and Housing Needs Service, even if that is not a main duty homelessness decision. The Benefits and Housing Needs Service has responded by developing a number of toolkits which residents can access and targeting our resources more effectively at those with the highest need.
- 1.8. The delivery of the Greenhouse service is a key component of the Council's homelessness response, as well as its commitment to ending rough sleeping. Commissioning a provider to deliver the service allows an opportunity to ensure that there is little or no disruption in the delivery of the service, while also allowing adjustments to the terms of the contract and the delivery model to better reflect legislative changes and increasing demand.
- 1.9. The Greenhouse currently operates as a commissioned service delivered by Thamesreach. This contract was extended to 31st December 2022 to allow for a formal tendering process to ensure a compliant contract is in place to meet future requirements. This adheres to the Council Standing Orders and also Public Procurement Regulations. A new contract will commence from 1st January 2023.
- 1.10. In April 2022, the Hackney Procurement Board approved the commencement of a tendering exercise for the commissioning of a provider to deliver frontline customer engagement and housing advice to single clients approaching the Greenhouse service. This report sets out the outcomes of that exercise and recommends the commissioning of Bidder 1 the service provider.

## 2. Group Director's Introduction

- 2.1. This report proposes the contract awarded to Bidder 1 for the provision of advice and support to single homeless clients at the Greenhouse.
- 2.2. The Benefits and Housing Needs (BHN) service is responsible for the assessment and allocation of temporary and permanent accommodation on behalf of the Council. Ensuring that the most vulnerable individuals are both able to access the service and receive an adequate response is extremely challenging when factoring the level of demand and the resources available to us.

- 2.3. The housing crisis, along with the introduction of the Homelessness Reduction Act in 2017, has meant that local authorities have a much more extensive responsibility to homeless households in general and to single people in particular.
- 2.4. The Benefits and Housing Needs Service has adapted and realigned its service delivery offer in response to the increased complexity of the clients approaching. Core to this is the Greenhouse, to provide a more effective service to single homeless clients with multiple needs and often chaotic lifestyles. As a one-stop specialist service, the Greenhouse aims to build and nurture engagement with a range of statutory, community organisations, so that support is provided in a holistic and trauma informed way.
- 2.5. Commissioning a specialist provider to deliver this service will not only bring expertise and a broader perspective, but also help to promote engagement from a client cohort who traditionally are uncomfortable in approaching the Council directly.
- 2.6. Tackling homelessness is one of the nine cross cutting challenges identified in the Corporate Plan. Tackling homelessness within our single residents is one of the key themes within the Council's wider homelessness strategy and the Council has a statutory duty to house homeless residents. The Council has also committed to ending rough sleeping in the borough and the Greenhouse is a key component in both prevention and relief of rough sleeping.
- 2.7. The delivery of a frontline service that is targeted at single people is a key component in how we deliver on our statutory duties under the Homelessness Reduction Act and the Housing Act. It also offers opportunities to undertake early engagement with single clients.
- 2.8. An open tender process was carried out in accordance with the Public Contracts Regulations 2015, and the Council's Contract Standing Orders. Following the open tender process, it is recommended that the contract be awarded to Bidder 1 the most suitable provider

### 3. **Recommendations**

- 3.1. **Cabinet Procurement and Insourcing Committee is recommended:**
- 3.2. **To approve the award of the provision of advice and support to single homeless clients at the Greenhouse contract to Bidder 1. The Contract will run for a period of three (3) years, with an option to extend for a period, or periods of a maximum of a further twelve (12) months, with an estimated total value of £1,497,559.00, rising to £2,015,625.00 if the contract is extended for a further year.**

#### 4. **Related Decisions**

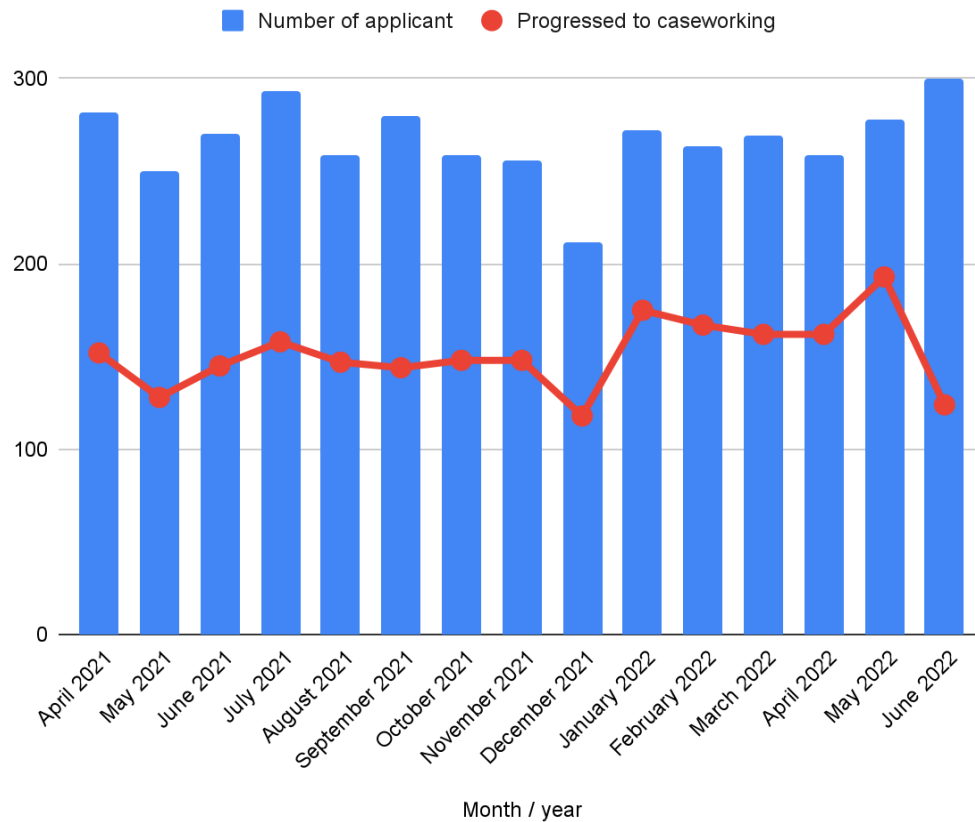
- 4.1. The Business Case was approved at the Hackney Procurement Board meeting on 12th April 2022, authorising the commencement of the procurement process for the provision of advice and support to single homeless clients at the Greenhouse.

#### 5. **Reason(s) For Decision / Options Appraisal**

- 5.1. The provision of advice and support to single homeless households is currently delivered through the Greenhouse by Thames Reach, as the commissioned provider. This contract was extended to 31st December 2022 to allow for a formal tendering process to ensure a compliant contract is in place to meet future requirements. This adheres to the Council Standing Orders and also Public Procurement Regulations.
- 5.2. We are seeking to contract a service provider to deliver housing advice and support to single people who are either homeless or in danger of becoming homeless. The Greenhouse has been a key part of the London Borough of Hackney's effective response to the rapid rise in homelessness, particularly with regard to young single people. Since it was first launched in 2007, the role significantly expanded in 2017 with the introduction of the Homelessness Reduction Act.
- 5.3. The key aims of the Service are to work strategically and operationally with statutory and non-statutory services to deliver outcome focused, targeted and cost effective interventions for single people in significant danger of becoming homeless. The Service will achieve these aims by:
- Providing a culturally and linguistically sensitive service to individuals from a range of backgrounds, faiths and nationalities – reflecting the diversity of the Hackney population.
  - Engaging with clients, assessing their needs, advising them of the realistic and achievable options available to them and the actions and changes needed to accomplish these aims.
  - Providing innovative, effective and trauma informed approaches to those with complex needs to support them in either maintaining their accommodation or to assist them in seeking suitable alternatives where we are unable to prevent them from losing their accommodation.

- Actively engage with and maintain relationships with private landlords, and other housing providers offering good quality accommodation to people experiencing homelessness to assist in expanding the range of options available.
- 5.4. The service will seek to work with accommodation providers, the single homeless prevention service partnership and others who are committed to tackling homelessness, as well as engage with organisations that deliver services. The service will also seek to link clients into specialist/mainstream service provision in Hackney, other parts of the UK and in their country of origin, where appropriate. In particular, working with the statutory and non-statutory sectors that deliver services for this cohort to ensure the clients' mental and physical health needs are met.
- 5.5. The provider will work with the Council and its partners to ensure a joined up approach is agreed and delivered on with the single homeless service at the greenhouse. The service will also work collaboratively with local and national agencies to determine individuals' immigration status and rights and provide the support required when enforcement actions are being taken.
- 5.6. 3769 households approached the London Borough of Hackney's Benefits and Housing Needs Service last year of whom 2812 were single people. There has been a noticeable increase in approaches from younger residents with 19% of total approaches from applicants aged between 18 and 24. We have also seen an increase in individuals with multiple and complex needs.

## Number of applicant and Progressed to caseworking



### 5.7. Alternative Options (Considered and Rejected)

5.8. **Do nothing** - This is not recommended; the delivery of a frontline service that is targeted at single people is a key component in how we deliver on our statutory duties under the Homelessness Reduction Act and the Housing Act. Not tendering for specialist service that is focused on the needs of this client cohort and allowing the service to lapse at the end of the current contract would result in increased costs. Opportunities to undertake early engagement with single clients may be lost leading to an escalation in need at a greater cost. There is also a considerable reputational risk to the Council where the numbers of single residents who are statutorily homeless increases and instances of reported rough sleeping increase.

5.9. **Insourcing** - At a time of cuts in funding to local government, putting in place a resource intensive service will have significant budgetary considerations. The authority does not have sufficient resources and skills inhouse to manage the growing demand and would need to recruit for officers with this particular skill set within a highly competitive market. We also know that this cohort has traditionally been reluctant to engage

directly with Council services and we may experience a drop off in early approaches, particularly from young single adults, until they have reached a crisis point and the opportunity for reconciliatory intervention has been lost. We would also potentially lose access to the wider network of agencies and structures that a third party provider can deliver.

## 6. Project Progress

### 6.1 Developments since the Business Case approval

NONE

### 6.2 Whole Life Costing/Budget

The costs of providing this service per year are as follows:

Year 1: £495,360.00

Year 2: £495,780.00

Year 3: £506,419.00

The whole life cost of the service over the 3 year life of the contract until 2025, will be £1,497,559.00, rising to £2,015,625.00 if the contract is extended for a further year.

### 6.3 Risk Assessment/Management

Risk	Likelihood	Impact	Overall	Action to avoid/mitigate risk
Housing Crisis	Medium ▾	Medium ▾	High ▾	Have a robust service in place to prevent overflow of homeless people - target vulnerable people first
Increased Cost of Living	Medium ▾	Medium ▾	High ▾	Working with provider to have provision in place to manage the increase load of homeless people and having accommodation available
	Select ▾	Select ▾	Select ▾	
	Select ▾	Select ▾	Select ▾	



	Select ▾	Select ▾	Select ▾	
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7. **Savings**

There are saving opportunities that can be accrued in terms of cost prevention through early intervention and a targeted response to the needs of single clients, that would otherwise fall on other parts of the Benefits Housing Needs service such as the provision of temporary accommodation, as well as health services, community safety and Adult Social Care. However it is difficult to quantify the level of savings that will be achieved.

8. **Sustainability Issues and Opportunities, Social Value Benefits**

8.1. **Procuring Green**

No specific impacts identified.

8.2. **Procuring For A Better Society**

Commissioning an Outreach service will aid in reducing the numbers of people sleeping rough in an area by providing meaningful support to access pathways into sustainable accommodation and advocating for their access into the systems and structures they need to uphold their recovery and tenancies. As part of the procurement process and bid submission, providers were asked to set out any employment and training opportunities for local residents (including apprenticeships).

The preferred bidder runs a trainee programme which supports between 8 and 12 people to enter the sector each year. Trainee posts are 12-month fixed term contracts, working 37.5 hours a week and paid at London Living Wage. Each trainee receives two six-month placements in their organisation in a range of services including Hostels, Housing First and Outreach. They each have a mentor and access to training to enable them to move into support work.

The preferred bidder has committed to work with Hackney to promote these opportunities in the borough through information sessions, posters and leaflets. These posts will be accessible to a range of people including:

- People with disabilities.
- People with lived experience of homelessness.
- People with offending histories.

- Advertising roles within their organisation's website and will post both entry-level and more senior positions on local forums or in local educational settings to encourage more Hackney residents to apply to work for the organisation.

The preferred bidder also delivers a range of employment and skills services, which are funded through charitable grants, and these will be accessible to people using Greenhouse services.

These include:

- Digital literacy: they have built a partnership with Hubbub to develop tech lending for our clients. We have 300 devices, along with induction sessions covering online safety.
- A Job Broker: working with young people aged 16-24.
- Information and Guidance service – offering support with CVs, interview skills and job applications.
- Step-Up- supporting people in work to increase hours, payment and job security.

### 8.3. **Procuring Fair Delivery**

Each bidder set out within their bid a commitment to Fair Delivery and how this would specifically apply to their delivery.

The preferred bidder has committed to provide staff with training and supervision to deliver high-quality services to a wide range of people. Training is reviewed annually to reflect legislative changes such as the Domestic Abuse Act, and emerging needs including autism and acquired brain-injury. The bidder has a proven track-record in engaging clients with complex needs with supporting them to achieve positive change.

This service is outcome-focused and does not tightly prescribe how and what a provider should do to achieve the specified outcomes. Outcome-focused services aim to achieve the goals, aspirations and priorities of the individuals they serve. The service is intended to be delivered in a way that is right for the individual and designed to be compassionate, sensitive and trauma informed. Outcome-focused services are fundamentally person-centred and individualised in their approach, recognising that each individual is unique so has different requirements..

#### 8.4 **Equality Impact Assessment and Equality Issues**

The successful bidder has set out their commitments with regards to this contract with particular reference to working with diverse communities and vulnerable clients. This service directly supports those who have difficulty engaging with other services. Ethnicity and age will be monitored with the service provider alongside types of disability to ensure that we are meeting our obligations to local residents.

#### 8.5 **Social Value Benefits**

The preferred bidder also delivers a range of employment and skills services, which are funded through charitable grants, and these will be accessible to people using Greenhouse services.

These include:

- Digital literacy: they have built a partnership with Hubbub to develop tech lending for our clients. We have 300 devices, along with induction sessions covering online safety.
- A Job Broker: working with young people aged 16-24.
- Information and Guidance service – offering support with CVs, interview skills and job applications.
- Step-Up- supporting people in work to increase hours, payment and job security.

### 9. **Tender Evaluation**

9.1. An invitation for expressions of interest was issued on 5th August 2022 through the ProContract portal. The deadline for submissions was 5th September 2022. By the closing date, three submissions were received, however, subsequent to the closing date, Bidder 3 chose to withdraw their expression of interest.

9.2. An evaluation panel was put in place to score the submissions. The tender evaluation panel comprised of the personnel below, with oversight from the Hackney Procurement Managers:

9.3. Operations Manager – Benefits & Housing Needs  
Benefits and Housing Needs Team Manager

## Benefits & Housing Team Manager

### Legislation, Strategy & Projects Officer, Benefits & Housing Needs

- 9.4 Each bid was evaluated based on both the projected quality assurances related to the provision of advice and guidance to clients and of service and the overall cost of the contract delivery; Quality being 60% of tender evaluation weighting and Contract Costs 40%.

The qualitative assessment was carried out using the following matrix:

Criteria	Sub-Criteria	Max. Points	Weighting
<b>Delivery Model</b>	Please set out how your service will engage and with clients approaching the service for advice and guidance.	5	15
<b>Monitoring, evidence gathering and data recording</b>	Please set out how your service will monitor outcomes and actions associated with the provision of housing and related support advice.	5	10
<b>Quality of advice</b>	How will you work to ensure that the advice your service provides is both relevant and comprehensive?	5	15
<b>Safeguarding</b>	Please set out how you will ensure that all clients are effectively safeguarded and summarise how you carry out risk assessments as part of your safeguarding policy & procedures.	5	5
<b>Business Continuity</b>	Please set out your approach to business continuity / contingency planning, in particular how you would coordinate and deliver services in scenarios such as further Covid 19 restrictions and possible impacts of market change or supply issues.	5	5
<b>Added value</b>	How will you work successfully to engage with clients to ensure they are able to smoothly access other organisations, services and that can provide support for non-housing issues	5	5
<b>Local Employment &amp; Training Opportunities</b>	Please set out how you will ensure that any employment and / or training opportunities within your organisation are made accessible to Hackney residents	5	5

## 10. Recommendation

Following this outcome, it is recommended to award the contract to Bidder 1, who were assessed highest on the Quality response and on the Cost scoring.

11. **Contract Management Arrangements**

The Contract will be managed by the Operations Manager in the Benefits & Housing Needs Service, managing the Housing Advice service.

The service provider will be required to submit accurate performance data both monthly and quarterly; this frequency may be reviewed with the agreement of both the provider and the London Borough of Hackney.

The Council will utilise a risk-based approach to monitoring this service. The focus will be to assess the achievement of outcomes and performance to targets. This will be achieved through a range of methods including submission of quantitative and qualitative outcome data

11.1. **Key Performance Indicators**

11.2. The service provider will be required to submit accurate performance data both monthly and quarterly; this frequency may be reviewed with the agreement of both the provider and the Council.

11.3. General targets for the service are detailed below with Specific targets for the service will be agreed with the provider by the Council within 8 weeks of contract start date with the Council's contract coordinator and will be subject to annual review through which they may be amended by agreement or through decision by the Council.

Outcome		Target
Welcome Team	All clients coming into the Greenhouse setting will be seen by a member of the welcome team.	100%
	All clients identified by the welcome team as needing housing advice and support will have their basic details recorded onto the Jigsaw software application.	100%
	All telephone calls received by the Greenhouse were answered within 4 hours.	
	All emails and correspondence received by the Greenhouse service will be acknowledged within 24 hours and a response sent within 72 hours.	100% acknowledged 80% responded

	All clients identified by the welcome team as a potential emergency/with a high risk of rough sleeping will be referred and appointed to the Casework and Verification service to be seen on the day of approach.	100%
	All non urgent clients seeking housing advice will be referred and appointed to the Casework and Verification service to be seen within 3 working days.	80%
Triage and Assessment	All appointments to the Triage and Verification service to be interviewed at the agreed time, or reappointed within 36 hours where the arranged appointment cannot be undertaken due to unforeseen circumstances.	80% seen at the agreed time 100% reappointed with 36 hours
	All client interactions with the Triage and Assessment service will be recorded on the London Borough of Hackney's Jigsaw software within 24 hours, including notes on advice provided and/or further actions to be taken by the client and/or triage and assessment team.	100%
	All clients requiring mental health support will be referred to the appropriate agency/support team where the Triage and Assessment service have identified a need.	100%
	All clients requiring immigration advice and support will be referred to the appropriate agency/support team where the Triage and Assessment service have identified a need.	100%
	All clients meeting the requirements and criteria for additional support through the SHPS/Riverside delivered service are referred timeously.	100%
	All clients that have been identified as requiring additional casework under the requirements of the Homelessness Reduction Act will be referred to the service manager and LBH duty Manager or allocation to a caseworker with all the supporting information evidence as appropriate.	Less than 10% of referrals to the Casework service are rejected/ returned as incomplete/

		inappropriate
	Clients identified as in need of emergency interim accommodation will be referred to the LBH duty manager for further action with all the supporting evidence available and recommendations for further action.	100%
Casework	All clients referred to the casework service will be offered an appointment with a caseworker within 10 working days.	100%
	A comprehensive Personal Housing Plan will be completed and agreed with the client and caseworker and a copy given to the client.	100%
	Where prevention of homelessness is an appropriate and realistic goal, the caseworker will work with the client to prevent their becoming homeless within 56 days.	80% of cases are successful in preventing eviction
	Where the client is homeless, or remaining within their current accommodation is not a sustainable option, the caseworker will work with the client to source alternative housing provision within 56 days.	80% of cases are successful in sourcing alternative suitable accommodation
	For all clients, the caseworker will ensure that all interactions are recorded on the London Borough of Hackney's Jigsaw system within 24 hours of the engagement with the client.	100%
	Where casework has not been able to prevent homelessness or source suitable accommodation the client will be referred to the London Borough of Hackney duty manager for a decision under the Housing Act 1996. The caseworker will ensure that all relevant information is included with the referral with a recommendation where appropriate.	Less than 10% of referrals to the for a decision are rejected/ returned as incomplete/ inappropriate

11.4 In order to assess operational efficiency of service performance the provider will be expected to submit reports on the following information:

Information	Frequency
Report of serious incidents	Within 12 hours of incident
Report of safeguarding alerts	Within 24 hours of incident
Log and provide a report on complaints the provider receives related to service delivery at the Greenhouse	Monthly/Quarterly (as agreed or determined by the London Borough of Hackney)
PI Performance Indicator, Outcome and Target Reports and Returns	Monthly/Quarterly (as agreed or determined by the London Borough of Hackney)

11.5 The Council will utilise a risk-based approach to monitoring this service. The focus will be to assess the achievement of outcomes and performance to targets. This will be achieved through a range of methods including submission of quantitative and qualitative outcome data.

12. **Comments Of Group Director Of Finance And Corporate Resources**

- 12.1. This report seeks approval to award the provision of advice and support to single homelessness clients at the Greenhouse, contract to Bidder 1.
- 12.2. The scope of the service provided has increased as a result of demand and intentions to relocate to a larger site. And as a result has increased the projected costs from previous years.
- 12.3. The cost of service will be funded through the Homeless Prevention Grant across the 3 year life of the contract until 2025.

13. **VAT Implications On Land & Property Transactions**

N/A

14. **Comments Of The Director of Legal, Democratic and Electoral Services**

- 14.1. Paragraph 2.7.7 of Contract Standing Orders states that, in respect of procurements with a risk assessment of "Medium Risk", Cabinet Procurement and Insourcing Committee will determine the award of contracts above the value of £2m. The estimated maximum value of the contract in this Report is above £2m so therefore Cabinet Procurement and Insourcing Committee can agree the recommendation in this Report.



14.2. Details of the procurement process undertaken by officers are set out in this Report.

15. **Comments Of The Procurement Category Lead**

15.1. A member of the Corporate Procurement Team supported every step of this tender process ensuring compliance, best value for money and fairness.

15.2. A market engagement exercise was conducted last year in order to better shape the specifications in line with market trends. An open tender procedure was carried out in accordance with the Public Contract Regulation 2015 and our internal Contract Standing Order.

15.3. The London Tenders Portal & Contract Finder were used to advertise this opportunity where 3 bids were received and passed our compliance checks, along with the quality and commercial. However, through the tender evaluation process bidder 2 withdrew their tender submission.

15.4. A standard services contract was used for this agreement and a post award notification will be used for transparency purposes on the announcement of the bid winner.

15.5. I endorse this document and agree with the recommendations to award the contract to Bidder 1 who provided the Most Economically Advantageous Tender. (MEAT).

15.6.

**Appendices**

N/A

**Exempt**

[w Exempt Appendix 1\\_ List of Suppliers at SQ stage\\_.docx](#)

[w Exempt Appendix 2\\_ List of Shortlisted Suppliers.docx](#)

[w Exempt Appendix 2\\_ List of Shortlisted Suppliers.docx](#)

[w Exempt Appendix 4\\_ Price Comparison\\_.docx](#)

**Category Condition**

N/A

**CONFIDENTIAL**

N/A

**Background Documents**

None

**Description Of Document (Or None)**

 GH Business Case 1st Stage

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