

Title: Exemption From Procurement / Contract Standing Orders –  
Housing First Support Service  
Lead Officer: Nicholas Cadd (07976 918632)  
Portfolio Holder: Councillor Jan Matecki  
Wards of the District directly affected: N/a

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## **Summary**

The purpose of this report is to request an exemption from the Warwick District Council Code of Procurement Practice and Financial Regulations to enable the swift appointment of a competent and experienced provider of 'Housing First' support services to a number of vulnerable former rough sleepers and the ensure that funding won from central government is spent in accordance with their delivery time frame expectations.

## **Recommendation(s)**

That an exemption from the Code of Procurement Practice is permitted to enable the rapid award of a contract to Brighter Futures to deliver a Housing First service to former rough sleepers in Warwick District for a period of 12 months.

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## **1 Background/Information**

- 1.1 Warwick District Council and our local partners have worked hard to reduce the number of people sleeping rough on the streets of Leamington Spa and Warwick. The challenge now is to sustain these individuals in a range of different forms of accommodation.
- 1.2 Funding has been secured from the Department for Levelling Up, Housing and Communities to deliver support for up to 16 of the most challenging and disadvantaged of this group and through this report we are seeking permission to directly engage a highly regarded provider of these services, who are able to mobilise swiftly and who already have a local presence.
- 1.3 **Housing First**
  - 1.3.1 Housing First is an innovative technique for delivery of services aimed at sustaining the challenged individuals in self-contained accommodation. Put simply it represented a shift from 'treatment first' approaches, by placing chronically homeless people in to ordinary accommodation, rather than offering housing as a reward for progress in treatment. Evaluations have indicated high rates of housing sustainment, and cost offsets from reduced demand for emergency medical services and other public sector provisions.
  - 1.3.2 Stratford-on-Avon DC have operated a service for over five years and have had significant success in sustaining tenancies that would otherwise have failed, leading to repeat homelessness and rough sleeping.
- 1.4 **DLUHC Funding Award**

- 1.4.1 The Rough Sleeper Initiative (RSI) funding programme sits alongside the government's aspirations and manifesto commitment to end rough sleeping.
- 1.4.2 Warwick DC was awarded £108,000 in 2020 to introduce a Housing First Service. Unfortunately for a variety of reasons this work has not progressed as swiftly as would have been desired and we now need to be able to move quickly and appoint a provider. We have an estimated contract value of £91,000 for a 12 month provision. A contract of this value would be considered a formal Tender opportunity and therefore need to be advertised exclusively via the e-tendering portal. This process would be likely to take several months and given the short duration and relatively modest contract value there is no certainty that we would receive any tenders.
- 1.4.3 A delay of this nature would extend any potential start date to late 2022, assuming that providers tender and that they can mobilise reasonably swiftly. This may result in DLUHC requiring the funding be returned.

## 1.5 **Proposed Steps to Secure Service Provider**

- 1.5.1 Given the pace that this needs to move at, discussions have taken place with [Brighter Futures](#) who are an established Housing Association that specialise in delivering services to individuals with more complex needs. They have experience of operating Housing First services and have recently had Staffordshire University review their Stoke-on-Trent service with positive findings revealed.
- 1.5.2 Brighter Futures currently operate in Coventry and we have received positive feedback on their contract delivery. They have significant experience in the delivery of Housing First, they are able to mobilise a service within three months, they have a local service which aids mobilisation but also helps with service resilience and in comparison with the Stratford Service, the service costs provided benchmark well.
- 1.5.3 Give all of the above, and the potential that a full tender exercise may prove fruitless (and putting the funding at risk of being returned), we request permission from Cabinet for an exemption.

## 1.6 **Future Procurement of Housing First**

- 1.6.1 The closer working between Stratford and Warwick is already revealing potential efficiencies. It is our intention to commission any future Housing First service jointly between the two authorities with a joint bid to the next round of DLUHC's RSI 2022 – 2025 programme underway.
- 1.6.2 If successful we will jointly procure the service in the future and this will be tendered jointly to ensure that full procurement norms are adhered to and we avoid the need for any further exemptions.

## 1.7 **Procurement**

- 1.7.1 The contract sum of £91,000 is below the Public Contract Regulations 2015 threshold for formal tendering.
- 1.7.2 The Public Contract Regulations defer to the Councils standing orders (Code of Procurement Practice) within its constitution, for below threshold procurement activity.
- 1.7.3 To direct award this contract without competition through a low value tender will require an exemption from the Councils Code of Procurement Practice.

## **2 Alternative Options available to Cabinet**

2.1 Other than the recommended exemption from tender, several options exist:

2.1.1 We can choose to run a low value tender exercise which will take approximately 3 months with no certain outcome. If a provider were appointed, additional time would be required to set up (mobilise) the new arrangements. This and will incur delays and create risk of being unable to complete the work required by the grant funding within the designated timescales. Consequently, some or all of the funding may be at risk of clawback.

2.1.2 We can stand down the proposed Housing First service and await a potential future award of RSI funding, although a future award is not assured at this stage.

## **3 Consultation and Member's comments**

3.1 The Portfolio Holders comments have been absorbed into the body of the report.

## **4 Implications of the proposal**

### **4.1 Legal/Human Rights Implications**

4.1.1 The position is set out correctly in paragraphs 1.7 and 5.2, although the risk of challenge and of such a challenge being successful is low. The award of the contract must be publicised in due course. Whilst funding from the RSI is often awarded on a short-term basis, the joint and longer- term approach set out in paragraph 1.6 is an important approach to secure value and continuity – and to provide the opportunity to the market. Potential providers are often reassured by the availability of future opportunities i.e. that they do not fear being excluded over a longer term.

### **4.2 Financial**

4.2.1 The DLUHC have awarded funding to Warwick DC with the expectation that this will be deployed swiftly to reduce rough sleeper numbers and to sustain them in accommodation. The swift allocation of this to a Housing First provision will ensure that the risk of this funding being clawed back from the Council is avoided.

### **4.3 Council Plan**

4.3.1 In respect of Warwick District Council Business Plan the suggested introduction of a Housing First service meets the aspirations around improved health and meeting housing needs of some of the most disadvantaged members of the community.

### **4.4 Environmental/Climate Change Implications**

4.4.1 There are no environmental implications of the proposal.

4.4.2 This activity has not been subjected to an Equality Impact Assessment, however if approved the Housing First work will address the needs of some of the most disadvantaged members of the community.

### **4.5 Data Protection**

4.5.1 There are no data protection implications of the proposal.

### **4.6 Health and Wellbeing**

4.6.1 The health outcomes for people who have slept rough are known to be very poor. On average people who sleep rough have significantly shorter lives than

the wider population. Recent ONS data indicates an average life expectancy of a male at 44 and a female 42. Often contributing to this situation is a disengagement from primary care (GPs) and unhealthy behaviours including drug and alcohol dependencies. Without stable housing the treatment of these conditions is significantly hampered and greater use of A&E and secondary care services required.

## **5 Risk Assessment**

- 5.1 The principle risk in the case of the proposal is that the DLUHC clawback funding already awarded to Warwick DC. A further risk is that delays may cause DLUHC to look less favourably on bids being prepared for the RSU 2022-2025 funding round. If either of these were the case and reduced funding awards were received, this would hamper efforts over the next three years to keep rough sleeping numbers at the very low levels recently experienced and meet the governments aspirations around the eradication of rough sleeping.
- 5.2 Although the contract value is below the thresholds published within the Public contract regulations 2015; there is a small risk of challenge through the civil courts by suppliers who believe they could have tendered for the work. Although unlikely to be legally successful, there could be reputational damage.

## **6 Conclusion/Reasons for the Recommendation**

- 6.1 In summary, we have the opportunity to engage a trusted provider to deliver a Housing First service. If we receive a tender exemption we can progress this at pace, and start delivering improved outcomes for former rough sleepers later in Spring. If we have to pursue the tender process we will incur a degree of delay and potentially run the risk of DLUHC requesting the return of funds allocated to Warwick DC to achieve this.

### **Background papers:**

None

### **Supporting documents:**

None

### Report Information Sheet

Please complete and submit to Democratic Services with draft report

<b>Committee/Date</b>	20 April 2022	
<b>Title of report</b>	Exemption From Procurement / Contract Standing Orders – Housing First Support Service	
<b>Consultations undertaken</b>		
<b>Consultee *required</b>	<b>Date</b>	<b>Details of consultation /comments received</b>
<b>Ward Member(s)</b>	N/a	
<b>Portfolio Holder WDC &amp; SDC *</b>	27.2.22	All comments absorbed into the body of the report.
<b>Financial Services *</b>	8.3.22	All comments absorbed into the body of the report.
<b>Legal Services *</b>	8.3.22	All comments absorbed into the body of the report.
<b>Other Services</b>	8.3.22	All comments absorbed into the body of the report.
<b>Chief Executive(s)</b>	8.3.22	All comments absorbed into the body of the report.
<b>Head of Service(s)</b>	8.3.22	All comments absorbed into the body of the report.
<b>Section 151 Officer</b>	8.3.22	All comments absorbed into the body of the report.
<b>Monitoring Officer</b>	8.3.22	All comments absorbed into the body of the report.
<b>CMT (WDC)</b>	8.3.22	All comments absorbed into the body of the report.
<b>Leadership Co-ordination Group (WDC)</b>	29.3.22	All comments absorbed into the body of the report.
<b>Other organisations</b>	N/a	
<b>Final decision by this Committee or rec to another Ctte/Council?</b>		Recommendation to :Cabinet / Council .....Committee
<b>Contrary to Policy/Budget framework</b>		No/Yes
<b>Does this report contain exempt info/Confidential? If so, which paragraph(s)?</b>		No/Yes, Paragraphs :
<b>Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?</b>		No/Yes, Forward Plan item – scheduled for ..... (date)
<b>Accessibility Checked?</b>		File/Info/Inspect Document/Check Accessibility