

 Executive – 29th July 2015		Agenda Item No. 5
Title	Exemption from the Code of Procurement Practice - Provision of Support and Re-settlement Service	
For further information about this report please contact	Jacky Oughton Sustaining Tenancies Manager Housing and Property Services 01926 456433 jacky.oughton@warwickdc.gov.uk	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers		

Contrary to the policy framework:	Yes
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality & Sustainability Impact Assessment Undertaken	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Deputy Chief Executive		Bill Hunt/Andy Jones
Head of Service	13.07.15	Andy Thompson/Mike Snow
CMT		Chris Elliott, Andrew Jones, Bill Hunt
Section 151 Officer		Mike Snow
Monitoring Officer		Andy Jones
Finance		Sue Simmonds
Portfolio Holder(s)	16.07.15	Cllr. Phillips
Consultation & Community Engagement		
n/a		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1 This report seeks approval from the Executive for an exemption from the Code of Procurement Practice to extend the arrangements for the provision of a Support and Re-settlement Service to provide housing related support to homeless families (or those families at risk of becoming homeless) provided by Bromford Support until 31st March 2016

2. RECOMMENDATIONS

- 2.1 That Executive grants an exemption to the Code of Procurement Practice to allow for the extension to no later than 31st March 2016 of the current contract for the provision of the Support and Re-settlement Service.
- 2.2 That Executive notes that the extension of the current contract is dependent on the continued provision of Housing Related Support (Supporting People) funding from (WCC). The service will end when WCC's funding ends, unless alternative funding can be sourced.

3. REASONS FOR THE RECOMMENDATION

- 3.1 The Support and Re-settlement Service to homeless families is funded primarily from Housing Related Support (Supporting People) resources provided by WCC to Warwick District Council (WDC). WCC commissions WDC to provide the service, which WDC has opted to do by outsourcing it to a third party. A three year contract to provide the service was let to Bromford Support in April 2012.
- 3.2 WCC has, since 2014, been reviewing the future of Housing Related Support (Supporting People) funding. As this work progressed, it was increasingly clear that there was little intention to continue funding for the Support and Re-settlement Service beyond March 2015. Housing and Property Services considered that in the absence of funds from WCC, the context of a review of temporary accommodation and related services for homeless people scheduled for 2015-2016 and the budgetary pressures on the General Fund that it would not be a wise use of funds to continue funding this service using district council resources. It is for these reasons that no provision was made to re-procure this service.
- 3.3 WDC was however advised on the 31st March 2015 by WCC that the County Council was to extend funding for the Support and Resettlement Service for a period of up to 12 months, expiring March 2016. The County Council has reserved the option to terminate this funding on the 30th September 2015 or at any point after 30th September 2015 (subject to no less than three months' notice)
- 3.4 WCC is currently expected to make a final decision on commissioning and funding for Housing Related Support (Supporting People) services in August 2015. If it does not continue funding for the Support and Re-settlement Service, then WDC will be under no obligation to continue this service in any way. The Council may however wish to consider delivering such a service in-house or retendering for an external supplier. The cost of this option would need to be met from the General Fund.
- 3.5 While having had access to the service for three years has been useful, in the context of reducing resources available to the Council officers do not feel that

the Council should itself consider funding the full cost of such a service. The current service has for three years been located within the Council's offices alongside the Housing & Property services teams. This has allowed for a degree of learning to be gained by our own officers who are now better placed to work with homeless households in need of support.

- 3.6 If WCC were to make funding available beyond March 2016, then WDC would retender for the service.

4. POLICY FRAMEWORK

- 4.1 The Code of Procurement Practice is an integral element of the Council's policy framework. The Code provides for an exemption to be sought where:
- There are exceptional circumstances in which it would not be in the Council's best interests to follow the tender or quotation procedure.
- 4.2 It is the advice of the Procurement Team that the late decision by Warwickshire County Council constitutes a reason beyond the control of Warwick District Council. This fact therefore justifies the exemption to the Code of Practice being sought in this report for this service.

5. BUDGETARY FRAMEWORK

- 5.1 The annual value of the contract is £35,000, of which £30,600 of funding comes from WCC. The remainder is funded from WDC's General Fund which has the capacity to continue funding the scheme at this level (£4,400 per annum) until March 2016.

6. RISKS

- 6.1 There is a risk that the Council could be challenged by third parties regarding the extension of the current contract. It is however unlikely that such a challenge will be received given the value and duration of the proposed extension.

7. ALTERNATIVE OPTION(S) CONSIDERED

- 7.1 Not continuing with the service beyond March 2015

- 7.1.1 Ending the service on March 31st 2015 would have:
- Brought to an end a service that is helpful to the overall provision of services to homeless people and which could have been continued at minimal cost WDC.
 - Reduced the opportunity to maintain the current service and its associated skills and knowledge base while WCC concludes its review of Housing Related Support services, now currently scheduled for August 2015. The review may allow for the service to be retained in the future and having the service in place during that period would help allow for continuity of provision.
 - Contravened the spirit of the agreement with WCC under which WDC was expected to continue to provide the service while WCC funding remained available.
- 7.1.2 Not continuing with the service beyond March 2015 was therefore not deemed to be a wise course of action.

7.2 Retendering

- 7.2.1 The option of retendering without clarity over long term funding would have meant managing the following complex issues which would have militated against a sensible and beneficial procurement exercise:
- It was unclear for how long the funding would be available for beyond that initial six month period other than an end date of March 2016.
 - The tender would have been for a short-term contract of uncertain length. This would have been unlikely to generate interest from the marketplace other than from the incumbent supplier
 - The service may have had to be suspended during the procurement process which could have taken up to half the original six month guaranteed extension. The time and resources to retender the contract would have been disproportionate for any benefits, in the context of the limitations of the tender on offer that may have been gained from such an exercise.
- 7.2.2 Retendering the service in the light of the limitations imposed on the process such as lack clarity around future funding was therefore not deemed to be a sensible course of action.