

**REPORT TO:** Executive Board Sub Committee  
**DATE:** 3<sup>rd</sup> March 2011  
**REPORTING OFFICER:** Strategic Director, Adults & Community  
**SUBJECT:** Request to extend Supporting People contracts  
**WARD(S)** Borough-wide

## **1.0 PURPOSE OF THE REPORT**

1.1 To request suspension of relevant procurement standing orders 2.1 to 2.15 to extend existing Supporting People contracts to the dates indicated in the table at Appendix A.

## **2.0 RECOMMENDATION:**

1. **in the exceptional circumstances set out below (namely to avoid long term funding commitment when external funding uncertain) for the purpose of Procurement Standing Order 1.8.2, procurement standing orders 2.1 to 2.15 be waived on this occasion because compliance with these Standing Orders is not practicable for reasons of urgency which could not reasonably have been anticipated to permit the extension of the existing Supporting People contracts (listed at Appendix A) to the dates indicated, subject to variations with regard to contract price and contract capacity as agreed by the Operational Director (Prevention and Commissioning) at an estimated price of £3,797,200;**
2. **subject to the expiry of full Supporting People contracts granted under a waiver due to the exceptional circumstances set out in section 3 and 4.1 of this report, Supporting People services will be procured through a competitive tendering process detailed in section 3.7 and 4.1 of this report; and**
3. **the Strategic Director, Adults and Community, in conjunction with the Portfolio Holder for Health & Adults, be authorised to take such action as necessary to implement the above recommendation.**

## **3.0 SUPPORTING INFORMATION**

3.1 Since 2003, Supporting People services have provided housing related support services to vulnerable people to enable them to achieve and maintain independent lives.

- 3.2 Supporting People services provide essential preventative services to approximately 3,500 people in Halton with a wide range of vulnerabilities.
- 3.3 In 2010/11, Halton Borough Council received a Supporting People programme grant of £6,861,315. In-year budget cuts resulted in the loss of the Supporting People administration grant of £96,000.
- 3.4 In anticipation of significant cuts in funding and to reduce the risk to Halton, the Supporting People contractual commitment was aligned to the time frame of the spending review and consequently the majority of Supporting People contracts are due to expire on 31<sup>st</sup> March 2011.
- 3.5 Due to the late funding announcement by the government and Halton's budget setting process taking place in March 2011, Supporting People was not willing to enter into long term contracts after this date to minimise the risks.
- 3.6 Suspension of standing orders is requested on the following basis:
- Compliance with standing orders would result in clear financial detriment to the Council in that a mass procurement exercise would be prohibitive in terms of cost and time. There is not sufficient time to undertake the 69 tender exercises required to cover the 105 services which are due to expire on 31<sup>st</sup> March 2011.
  - Compliance with standing orders is not practicable as a mass procurement exercise could destabilise the provider market and place vulnerable people at risk of loss of service
  - An extension to the Supporting People contracts would allow the implementation of the proposed efficiencies in the budget savings proposals.
  - An extension of the Supporting People Contracts would enable a review of homeless services with the opportunity for further efficiencies through remodelling of services or through a tender exercise subject to budget provision and a decision regarding future contract length.
  - An extension of the Supporting People contracts would enable a review of accommodation based services and sheltered services which will identify further efficiencies to be implemented in 2011/12 and 2012/13.
- 3.7 Appendix A lists all contracts due to expire on 31<sup>st</sup> March 2011, the contractual commitment for 2011/12 and the proposed extension date.
- 3.8 There are also a number of services delivered by Halton Borough Council. Any changes to these services will be agreed through negotiations between Council officers.

#### **4.0 BUSINESS CASE FOR THE EXTENSION OF CONTRACTS**

#### **4.1 Value for Money**

Due to the late notification of the financial settlement and the subsequent uncertainty about budget setting for individual service areas it was decided to minimise the risk to Halton Borough Council by not entering into tender processes for services which are due to expire on 31<sup>st</sup> March 2011.

It is requested Supporting People contracts be extended to the end dates given on Appendix A subject to budget provision.

An extension to existing contracts will enable the proposed efficiencies for 2011/12 to be realised, and give the opportunity for further efficiencies to be identified and achieved in 2012/13 as follows:

- Following the remodelling of floating support services, it is proposed to tender for floating support services and homeless services in September 2011/12 to be implemented in 2012/13.
- A strategic review of sheltered services is to be undertaken in 2011/12 with a view to re-tender those services in 2012/13 with contracts to be awarded for 2013/14.

#### **4.2 Transparency**

Supporting People contracts are recorded in the Council's contract register accessible via the internet and will be updated to reflect the extensions awarded. This ensures that external agencies do have some opportunity to examine contractual outcomes.

#### **4.3 Propriety and Security**

The extension of contracts referred to in this report will be compliant with Halton Borough Council's procurement standing orders. Compliance with anti corruption practices will be adhered to and any of the contracts within the subject of this report will be terminated if there is any occurrence of corruption by any of the organisations or their staff.

#### **4.4 Accountability**

Contracts will be continue to be performance managed and the quality of services monitored by the Adults and Community Quality Assurance Team. All factors have been taken into consideration when determining the proposed changes to services, including performance, quality, demand for the service and service type. Findings from recent Quality Assurance reviews and monitoring visits highlighted under utilisation of services and options for remodelling services which are proposed to be implemented in 2011/12.

#### **4.5 Position of the contract under the Public Contracts Regulations 2006**

These are Part B exempt services under the Contracts Regulations 2006.

## **5.0 POLICY IMPLICATIONS**

- 5.1 A waiver to standing orders is requested to enable the continuation of front line support services, and the remodelling and re-tendering of services to achieve further efficiencies in 2012/13 and 2013/14

## **6.0 FINANCIAL IMPLICATIONS**

- 6.1 The SP grant paid through the Area Based Grant and is no longer a ringfenced grant. Although the SP grant has been named in the ABG, Halton has the discretion to allocate funding based on service requirements.
- 6.2 After considering all options for efficiencies, Supporting People services have achieved their target efficiency savings.

## **7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **7.1 Children & Young People in Halton**

Supporting People services provide support to young people in Halton

### **7.2 Employment, Learning & Skills in Halton**

Supporting People services offer support to vulnerable people to access training and work opportunities which contributes to Halton's worklessness agenda.

### **7.3 A Healthy Halton**

These services offer support to vulnerable people in the Borough and by promoting social inclusion have a positive impact on a person's mental and physical health.

### **7.4 A Safer Halton**

Supporting People services provide support to vulnerable people which enables people to stay safe within their own homes, addressing issues of harm from others, to others and to self.

### **7.5 Halton's Urban Renewal**

None identified

## **8.0 RISK ANALYSIS**

All contracts are monitored in accordance with the level of risk identified. In the event of non-compliance the contract will be reviewed immediately and necessary remedial action instigated.

**9.0 EQUALITY AND DIVERSITY ISSUES**

9.1 Supporting People services are expected to comply with the Council's policies relating to Ethnicity and Cultural Diversity as well as promoting social inclusion of some of the most disadvantaged people in the Borough.

9.2 Supporting People will continue to fund one service which specifically meets the needs of BME clients within Halton.

9.3 Equality Impact Assessments will be undertaken on all services where changes are proposed.

**10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the Act.

## Appendix A

<b>Provider</b>	<b>Service</b>	<b>Proposed contract extension</b>
Abbeyfield Society (Widnes) Ltd	Sheltered housing	31 <sup>st</sup> March 2013
Alternative Futures	Supported accommodation	31 <sup>st</sup> March 2012
Anchor Trust	Sheltered housing	31 <sup>st</sup> March 2013
Arena Housing Association	Sheltered housing	31 <sup>st</sup> March 2013
Carr Gomm	Supported accommodation & Floating support service	31 <sup>st</sup> March 2012
CDS Housing	Sheltered housing (alarm) & Floating support services	31 <sup>st</sup> March 2012
Community Integrated Care	Supported accommodation	31 <sup>st</sup> March 2012
Creative Support	Supported accommodation	31 <sup>st</sup> March 2012
English Churches Housing Group Ltd	Sheltered housing	31 <sup>st</sup> March 2013
European Lifestyles	Supported accommodation	31 <sup>st</sup> March 2012
Guinness Trust	Sheltered housing	31 <sup>st</sup> March 2013
Halton & District Women's Aid	Supported accommodation	31 <sup>st</sup> March 2012
Halton Housing Trust	Sheltered housing	31 <sup>st</sup> March 2013
Halton YMCA	Supported accommodation	31 <sup>st</sup> March 2012
Housing 21	Sheltered housing	31 <sup>st</sup> March 2013
Hanover Housing	Sheltered housing	31 <sup>st</sup> March 2013
Imagine Independence	Supported accommodation & Floating support service	31 <sup>st</sup> March 2012
Lifeways	Supported accommodation	31 <sup>st</sup> March 2012
Making Space	Supported accommodation	31 <sup>st</sup> March 2012
Pentecostal Residences	Sheltered housing	31 <sup>st</sup> March 2013
Private Adult Placement	Adult placement	31 <sup>st</sup> March 2012
PSS	Adult placement	31 <sup>st</sup> March 2012
The Riverside Group Ltd	Sheltered housing	31 <sup>st</sup> March 2013
Shap Ltd	Floating support services	31 <sup>st</sup> March 2012
United Response	Adult placement	31 <sup>st</sup> March 2012
William Sutton Homes	Sheltered housing	31 <sup>st</sup> March 2013