

PLYMOUTH CITY COUNCIL

Subject: Contract Award for Single Homeless Hostel Support Service
Committee: Cabinet
Date: 18 October 2011
Cabinet Member: Councillor Fry
CMT Member: Director for Development and Regeneration
Author: Nicola Rowley Adult Social Care Commissioning Officer
Contact: Tel: 01752 307069
e-mail: nicola.rowley@plymouth.gov.uk

Ref:

Key Decision: Yes

Part: 1

Executive Summary:

Plymouth City Council was successful for its bid for capital money to develop a modern purpose built 46 bed homeless hostel. The new hostel opened in August 2011.

Prior to this Plymouth had two hostels meeting the needs of single homeless people in the city: the Ship, a 28 bed hostel run and managed by Plymouth City Council (PCC), and the Gates: a 10 bed night shelter run and managed by The Shekinah Mission.

The creation of a new purpose built hostel resulted in the amalgamation of two services and provided an opportunity to review the current provision.

A Business case agreed in February 2011 reviewed hostel services in the City and made the following recommendations:

- PCC relinquish management of the Ship service once a new service to replace it has been commissioned.
- Through competitive procurement commission one service (combining the services provided by PCC and Shekinah) to deliver support to the new single homeless hostel from an external organisation.
- Include the homeless outreach service currently provided by Plymouth Access To Housing (PATH) to work with people sleeping rough within the service procurement.
- The two existing services (The Ship and the Gates) to deliver within the new hostel until such time as a new service is procured. Contracts for the existing services will be extended to align to the newly procured service start date to ensure continuity of provision.

The recommended competitive procurement of services to replace the current hostel services will ensure:

- Creation of a new specification for the provision of a service which will ensure the new hostel service meets the requirements of the authority and partner agencies.
- Competitive procurement, achieving financial efficiencies.
- Improved outcomes for service users with a joined up provision giving a more holistic approach.

- Reduction in the financial risk to the authority in terms of potential loss of rent.
- The service will be run by specialist providers, meeting identified emerging need and improve joint working with specialist agencies.
- An opportunity to include homeless outreach services within the specification ensuring better value for money and therefore reducing costs to the Authority.
- Current staff of PCC will pass to the new provider as part of the contract process under TUPE regulations.

A competitive procurement was therefore conducted.

For reasons of commercial confidentiality, the full details of the proposed contract are included within a separate part 2 report.

Corporate Plan 2011-2014:

The award and execution of these contracts specifically relates to the following Corporate Priorities:

Raise aspiration: raise the skills and expectations of Plymouth residents.

Reduce inequalities: reduce the large economic and health gaps between different areas of the city by tackling the causes.

Provide value for communities: become more efficient and join up with partners and local residents to deliver services in new and better ways.

Deliver Growth: Tackling worklessness by increasing access to training and employment for homeless vulnerable people and increase the number returning to paid employment.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

The award of this contract is estimated to realise financial efficiencies for Plymouth City Council (Community Services and Development and Regeneration).

Other Implications: e.g. Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

The service directly impacts upon the following local Strategies:

Plymouth's Homelessness Strategy 2008 – 2011: This project supports the targets and outcomes identified in the homelessness strategy, including the city's move on plan.

Plymouth's Sustainable Community Strategy 2007 – 2020: This project supports the strategic objective of promoting inclusive community and improving health and well being.

Recommendations & Reasons for recommended action:

The recommendation is that a three year contract, with an option for three year extension be awarded to the preferred provider.

The evaluation process determined their offer to be the most economically advantageous tender based on price and quality. The award of this contract is forecasted to achieve efficiencies.

Alternative options considered and reasons for recommended action:**Extend Existing Contracts:**

The contracts for the Ship and the Gates services expire 29th February 2012. If these were extended, it would not be possible to achieve the efficiencies and quality requirements necessary to deliver the commissioning strategy objectives.

In addition, the procurement of these services is subject to Plymouth Council's Contract Standing Orders which state that any procurement over the threshold value of £75,000 is to be competitively tendered.

Background papers:

Contract Award Report (Part 2)

Sign off:

Fin	CoS F ACI 112 001	Leg	ATI 268	HR		Corp Prop		IT		Strat Proc	JK/SP U/25 4/08 11
Originating SMT Member: Stuart Palmer											