

## PLYMOUTH CITY COUNCIL

<b>Subject:</b>	Award of a contract for the Young Persons (16-25) Supported Accommodation Service
<b>Committee:</b>	Cabinet
<b>Date:</b>	10 <sup>th</sup> December 2013
<b>Cabinet Member:</b>	Councillor McDonald
<b>CMT Member:</b>	Carole Burgoyne (Director for People)
<b>Author:</b>	Dave Schwartz, Commissioning Officer
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<b>Ref:</b>	Young Persons (16-25) Supported Accommodation Service
<b>Key Decision:</b>	Yes
<b>Part:</b>	I

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### **Purpose of the report:**

Homelessness disproportionately impacts on children and young people. Most often these young people have been evicted by their parents or family or have suffered from relationships breaking down. Supported accommodation, where support is provided within an accommodation based service, provides a young person with a living environment that enables them to successfully transition into adulthood equipped with independent living skills.

Plymouth City Council's 'Young Person's (Aged 16-25) Accommodation Commissioning Plan' for the period 2013-2020 was approved in March 2013. It proposed to remodel services and realign the accommodation pathway to:

- Ensure that there is a single shared pathway where resources are used most effectively and are available for those most in need
- Ensure that there is sufficient capacity in the system and appropriate levels of support for the most 'troubled and troublesome'
- Reduce blockages in the system so that throughput is increased by developing suitable independent move on options.

The recommended competitive procurement of services to replace the current service model saw a two stage tender process commenced in May 2013 that would lead to the award of a contract to deliver young peoples (16-25) supported accommodation services.

The attached report sets out the result of the tender process and seeks approval from Cabinet for contract award.

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

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## **The Brilliant Co-operative Council Corporate Plan 2013/14 – 2016/17**

The Young Person's Supported Accommodation Service will support Plymouth being a Brilliant Co-operative Council through addressing three of the four key corporate objectives:

- Growing Plymouth

The Service will support some of the most vulnerable young people in the City to engage with education, employment and training opportunities that are available.

- Caring Plymouth

The Service will support some of the most vulnerable young people in the city to:

- Prevent placement breakdowns and repeat homelessness
- Reduce reoffending and the level of custodial sentences
- Reduce child poverty
- Equip young people with the skills, knowledge and opportunities to make a successful transition to adulthood
- Enable recovery and economic independence for those young people who are unable to stay within the family network
- Support young people to be self-determining and progress onward into independent accommodation with no or minimal support and remain engaged in education, training or employment.

- Pioneering Plymouth

By taking a strategic approach to the commissioning of supported accommodation to some of the most vulnerable young people it is possible to deliver high quality services whilst ensuring efficiencies are made and so deliver best value.

The Young Person's Supported Accommodation Service is underpinned by the four key values described in the Co-operative Council Corporate Plan:

- Service design was influenced by stakeholders and so is democratic
- reflects the City's commitment to provide high quality support to some of the most vulnerable young people and so reflect responsibility
- address inequality through supporting young people with complex needs and so be fair
- require all stakeholders to work together and so work in partnership

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

The current annual spend on the contracts being replaced by the tender is £490,198. Financial efficiencies will be achieved through the award of this contract and provision has been made for the expenditure on the new service within the medium term financial plan.

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**Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

This plan will contribute towards the priority to reduce child poverty; deliver the Health and Well-Being Strategy; deliver the early intervention and prevention strategy; deliver the Housing Plan and will also contribute toward improving community safety

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**Equality and Diversity**

An Equality Impact Assessment has been undertaken on the Young Persons Accommodation commissioning plan that includes this service

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**Recommendations and Reasons for recommended action:**

To award a three year contract, containing an option to extend the contract for a further three years in annual increments, to the successful tenderer for the management of a ‘Young Person’s (16-25) Accommodation Service in Plymouth. The tender evaluation process has determined that they have the critical knowledge and experience to provide the service and that considering all evaluation criteria they have offered the ‘most economically advantageous tender’.

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**Alternative options considered and rejected:**

Extend Existing Contracts:

If the contracts for the current providers were extended, it would not be possible to achieve the efficiencies and quality requirements necessary to deliver the commissioning intentions set out in the commissioning plan.

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 £100,000 is to be competitively tendered.

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**Published work / information:**

EIA Young Persons (16-25) Supported Accommodation

[http://www.plymouth.gov.uk/young\\_persons\\_supported\\_accommodation.pdf](http://www.plymouth.gov.uk/young_persons_supported_accommodation.pdf)

**Background papers:**

None

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**Sign off:**

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Originating SMT Member: Carole Burgoyne

Has the Cabinet Member(s) agreed the contents of the report? Yes

## **I. BACKGROUND**

This service has been commissioned in response to the identified need for an Accommodation based Support Service for Young People Aged 16-25. Plymouth City Council Adult Social Care currently commission two supported accommodation services for young people. These contracts are due to end in 2014.

A review of the current provision indicated that the model is no longer fit for purpose. A new service that combines the two existing contracts and incorporates a referral HUB was therefore put out to competitive tender. The new service will:

- Develop the capacity of vulnerable young people aged 16-25 to live independently
- Provide an appropriate environment for young people (particularly 16/17 year olds) to have their support needs assessed whilst services engage with them to facilitate a return home wherever possible and safe to do so
- Provide a supportive, tolerant and safe environment for challenging and vulnerable young people
- Provide key services as part of structured (staged) young person's accommodation pathway
- Increase the flexibility of accommodation provision to enable young people to move between supported housing services when requiring an increase or decrease in support
- Provide a referral HUB which will act as a single point of access into supported accommodation for young people and move on into social housing.
- Provide support to 56 young people with medium-high support needs at any one time.

The level of expenditure on this service required any future external provision to be competitively tendered in accordance with the Council's Contract Standing Orders. A competitive procurement was run as a two stage process.

The new service will contribute towards a number of City objectives. For example within Caring Plymouth the service will support young people who are homeless and in housing need it will also support tackling child poverty. The service will also support, Growing Plymouth by supporting young people to engage with education, employment and training opportunities where need is identified.

## **2. PRE QUALIFICATION SELECTION CRITERIA**

A competitive procurement was run as a 'Restricted' (two stage) process with a Pre-Qualification Stage (Pre-Qualification Questionnaire) followed by an Invitation to Tender (ITT).

The objective of the selection process was to assess the responses to the PQQ and select potential Economic Operators to proceed to the next stage of the procurement.

The following sections of the PQQ contained mandatory questions, the responses to which were reviewed and treated as pass or fail criteria:

Professional and Business Standing

Financial

Insurance

Data Protection

Timescales

In addition the following sections of the Pre-Qualification Questionnaire were evaluated and awarded a score.

Section	Weighting (%)
Prime Contractor/Sub-Contracting	6
Quality Management	10
Health and Safety Policy	5
Health & Safety Management	6
Equality & Diversity Policy	5
Equality & Diversity Management	6
Safeguarding Vulnerable People Policies	9
Safeguarding Vulnerable People	10
Disputes	5
Business Capability	32
Recent Contracts/References	6

These weightings and the scoring methodology for each section were published in the Pre-qualification questionnaire documentation.

A total of seven PQQs were received for this service. The names of the providers who submitted PQQs are contained in the Part 2 paper.

Four PQQs met the minimum threshold score of 67.10 and the providers were invited to tender for the 'Young Persons (16-25) Supported Accommodation Service.

#### References

Reference information covering the following areas was requested for all participating suppliers:

- Management;
- Staff competency and experience;
- Partnership working;
- Service user consultation and involvement;
- How well organized they are;
- Customer care;
- Level of complaints
- Innovation flexibility in adapting to change;
- Overall satisfaction with organization.

A minimum of two relevant references were required. All four providers invited to ITT stage received adequate or good and relevant references.

### 3. TENDER EVALUATION METHODOLOGY

The project evaluation weightings were agreed prior to despatch of the tender documentation and were published in the ITT:

Award Criteria	Weighting (%)	Sub Criteria (%)	Weighting (%)
<b>Financial</b>	<b>15</b>	Price	15
<b>Technical</b>	<b>85</b>	Purpose	15
		Performance	5
		Delivery requirements	27
		Service details	26
		Management and operation	12

The invitation to tender document was published electronically via the Devon Procurement Portal ([www.devontenders.gov.uk](http://www.devontenders.gov.uk)) on the 29<sup>th</sup> May 2013 in accordance with the following timeline:

Activity	Date/Target Date
Return of PQQ	1 <sup>st</sup> July 2013 (midday)
Dispatch of ITT to successful applicants	31 <sup>st</sup> July 2013
Tender Return Date	6 <sup>th</sup> September 2013 (midday)
Evaluation of tenders completed and selection of successful Tenderer	14 <sup>th</sup> October 2013
Estimated Service Commencement	1 <sup>st</sup> July 2014

The completed tenders were evaluated by a team of individuals / stakeholders with various skill sets from across the business, in order to ensure both transparency and robustness.

#### 1; Pre-Qualification Questionnaire/Technical Response

The pre-qualification questionnaires were evaluated to identify the extent to which each tenderer had the ability, experience, and capacity to deliver the service. The technical responses were evaluated to identify how well each tenderer would meet the service specification requirements. The names of the evaluators are contained in the Part 2 paper.

#### 2; Financial Response:

The financial response was evaluated to identify the number of paid staff hours and the overall price that the tenderer could offer. The names of the evaluators are contained in the Part 2 paper.

#### **4. SUMMARY OF EVALUATION**

A tender was submitted on the 6<sup>th</sup> September 2013 by one supplier.

The resulting scores from the evaluation process are contained in a Part 2 paper.

#### **5. FINANCIAL EFFICIENCIES**

The current annual spend on the contracts being replaced by the tender is £490,198. Financial efficiencies will be achieved through the award of this contract and provision has been made for the expenditure on the new service within the medium term financial plan.