

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

13 DECEMBER 2022

REPORT OF THE CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE

CONTINUATION OF HOUSING SUPPORT SERVICES ON COITY ROAD

1. Purpose of report

- 1.1 The purpose of this report is to seek approval from Cabinet to modify an existing contract in line with the Council's Contract Procedure Rules (CPRs), in order to allow for the continuation of housing related support services on Coity Road.

2. Connection to corporate well-being objectives/other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objective under the **Well-being of Future Generations (Wales) Act 2015**:

- **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.

3. Background

- 3.1 Following a procurement exercise in 2018 Bridgend County Borough Council (BCBC) currently has a contract in place with the Wallich for the delivery of three housing related support projects located on Coity Road, Bridgend.
- 3.2 Housing related support services provide interventions which prevent people from becoming homeless, stabilise housing situations or help homeless people to find and keep accommodation. Services complement statutory provision and help vulnerable people address problems they face, including debt, employment, tenancy management, substance misuse, violence against women, domestic abuse and sexual violence, and mental health issues.
- 3.3 The three projects on Coity Road are detailed below:

Ty Ogwr – 16 units of temporary accommodation with en suite rooms and communal facilities, for those who are homeless and accommodated by BCBC's Housing Solutions Team. Housing related support is provided by the Wallich, on site 24/7. 58 individual placements were made from November 2021 to November 2022.

Cornerstone – 7 units of temporary accommodation in self-contained one-bedroom properties, for those who are homeless and accommodated by BCBC's Housing Solutions Team. Housing related support is provided by the Wallich, on site 9am – 5pm Monday – Friday, with night workers covering in the evenings and on call

support on weekends. 22 individual placements were made from November 2021 to November 2022.

Vesta – 5 units of supported accommodation in self-contained one-bedroom properties for those who have a history of substance misuse issues. Individuals usually stay for a period of up to 12 months, before being supported to move on. Housing related support is provided by the Wallich on site 9am – 5pm Monday – Friday, with night workers covering in the evenings and on call support on weekends.

- 3.4 The contract BCBC has in place with the Wallich commenced on 1st April 2018 and expires on 31st March 2023. An option to extend the contract for a period of up to 24 months has been exercised and there is no further option to extend.
- 3.5 The current annual contract value is £358,170. The contract is funded by BCBC's Housing Support Grant. The total value of the contract is £1,790,850.

4. Current situation/proposal

- 4.1 As highlighted at 3.4 the current contract in place with the Wallich is due to expire on 31st March 2023. In line with BCBC's Contract Procedure Rules (CPRs) a procurement exercise is required, to ensure continued service provision on an ongoing basis.
- 4.2 On 1st December 2022 the Renting Homes (Wales) Act 2016 came into force. A future report to Cabinet will outline the wider implications of the Act, but it is clear there will be implications for providers of temporary and supported accommodation.
- 4.3 One of the key implications for temporary and supported accommodation services will be the potential for individuals to be owed an Occupation Contract under the Act, which provides a greater security of tenure to occupants, when compared to current operational arrangements.
- 4.4 There is also a greater role for the Local Authority in managing projects of this nature, with the Local Authority now having responsibility for authorising extensions of licence arrangements (if utilised) and the utilisation of mobility and temporary exclusion powers.
- 4.5 Despite the Act coming into force on 1st December 2022 the Welsh Government are considering changes to the Act, following feedback from the housing and homelessness sector, particularly around the implications for temporary and supported accommodation providers. The exact details, timescales or implications of these potential changes are not known at this stage, but they could impact on the delivery of the projects detailed at 3.3.
- 4.6 It is proposed that the procurement process which will be required to secure continued provision on an ongoing basis be delayed and the current contract in place with the Wallich be extended, whilst the implications of the Renting Homes (Wales) Act 2016 are fully understood.
- 4.7 The concern of a procurement process beginning now, in order to secure a new contract by the 1st April 2023 is that detail set out in a Service Specification at this

stage could quickly become out of date by potential Welsh Government changes. In addition there would likely be greater interest in a tender process from prospective providers once the implications of the Act are fully understood.

4.8 Section 3 of BCBC's CPRs states:

3.3. Contracts and frameworks agreements may be modified without the requirement for a new procurement procedure in accordance with Rules 3.3.1 to Rules 3.3.6:

3.3.6 Where the value of the modification is below both of the following values: —

- (i) the relevant applicable financial thresholds contained in the Regulations, and*
- (ii) 10% of the initial Contract Value for service and supply Contracts and 15% of the initial Contract Value for works Contracts,*

provided that the modification does not alter the overall nature of the Contract or Framework Agreement.

Where several successive modifications are made, the value shall be the net cumulative value of the successive modifications and the updated figure shall be the reference figure when the Contract includes an indexation clause.

4.9 The value of a modification in the form of a 6-month extension of the current contract BCBC has in place with the Wallich for delivery of the three housing related support projects detailed at 3.3 will be within 10% of the total contract value and be within the applicable threshold for service contracts contained in the Public Contracts Regulations 2015, which is £213,477. The cost of the proposed extension will be funded by BCBC's Housing Support Grant.

4.10 Given the proposed modification does not alter the overall nature of the contract and does not exceed 10% of the contract value or the applicable financial thresholds contained in the Public Contracts Regulations 2015, the conditions set out in CPR 3.3.6 are satisfied. In line with CPR 3.6(a) approval for this modification must be obtained by Cabinet, due to the modification value exceeding £100,000.

4.11 If Cabinet approves the proposed modification of the existing contract a procurement process will be undertaken, in line with BCBC's CPRs, in order to secure a new contract with a contract start date of 1st October 2023. To allow for a full procurement exercise to be undertaken, including mobilisation of a new contract and consideration of TUPE, the process will begin in and around March 2023.

5. Effect upon policy framework and procedure rules

5.1 This report does not have an effect on the policy framework or procedure rules.

6. Equality Act 2010 implications

6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in

the preparation of this report. As a public body in Wales, the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

7.1 The report contributes to the following goals within the Well-being of Future Generations (Wales) Act 2015:

- A prosperous Wales
- A resilient Wales
- A Wales of cohesive communities
- A globally responsive Wales

7.2 The five ways of working have been considered in the preparation of this report and are summarised below:

- Long term – The services detailed in this report support individuals to meet their short-term support needs, with the aim of delivering long term positive outcomes, supporting individuals to achieve their goals and aspirations,
- Prevention – The services detailed are preventative in nature and are designed to reduce the burden on more costly interventions. Support provided aims to provide individuals the skills and tools needed to prevent them from becoming homeless again, in the future.
- Integration – Services support economic, social, and cultural outcomes, both at an individual level and in wider communities.
- Collaboration – Services effectively engages with a range of internal and external partners on a local and regional basis, to benefit outcomes.
- Involvement – As part of the ongoing delivery of the service a range of stakeholders are involved, including service users.

7.3 It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial implications

8.1 The cost of the contract modification detailed at 4.9 is within 10% of the current overall contract value. The cost of the modification will be funded by BCBC's Housing Support Grant.

9. Recommendation

9.1 It is recommended that Cabinet:

- Approve a modification in the form of a 6 month extension of the contract BCBC has in place with the Wallich for the delivery of Housing Related Support Services on Coity Road.

Carys Lord
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Background documents:

None