

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Councillor Sue Fennimore, Deputy Leader

Date: 03/10/2021

Subject: Business Case & Procurement Strategy for the procurement of Refuge services

Report author: Annabel Moores, Victims' Programme Coordinator

Responsible Director: Sharon Lea, Strategic Director of Environment

Summary

This report details proposals to procure refuge services, from April 2022 to March 2027, to support women and children experiencing domestic abuse and other forms of violence against women and girls.

Recommendations

1. To approve the procurement strategy for refuge services, which provide safe accommodation for survivors of violence against women & girls, for a maximum period of five years (3+1+1). The annual value of the contract is £121,900 and the total estimated value of the services over the five year period is £609,500.
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Wards Affected: ALL

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	The successful service provider will be asked to confirm that the staff involved in delivering the services will not be subject to zero-hour contracts, and will have suitable employment terms and conditions, including the payment of the London Living Wage. Providers will be asked to provide a statement identifying the social value they can provide related to the contract as part of the tendering process.

Creating a compassionate council	<p>The services being commissioned are provided to vulnerable members of our community and to ensure the safety of residents affected by VAWG.</p> <p>The contract provides 14 refuge spaces and more than meets the 9 spaces as recommended by the Istanbul convention.</p>
Doing things with local residents, not to them	Local service users and third sector providers have been consulted in the development of the specification of the service.
Taking pride in H&F	The services contribute to the council's commitment to end violence against women and girls and make H&F a safe borough for residents,
Rising to the challenge of the climate and ecological emergency	The service makes use of products and resources that are re-used, recycled, or renewable. It has a neutral impact in terms of Homes, buildings, infrastructure and energy, travel, consumption, ecology, adaption and Engagement and influence as it uses existing infrastructure.

Financial Impact

1. The maximum contract cost, should the extensions detailed be applied for the full contract term of five years from 1st April 2022 to 31st March 2027, would be £609,500 (£121,900 per annum).
2. The funding for the contract will be contained within the Supporting People General Fund and the Community Safety General Fund held by the Environment Department.

Legal Implications

3. This report seeks approval of a procurement strategy for the procurement of women's refuge services via a competitive open procedure.
4. The estimated value of the services is £609,500 over a five year period.
5. This contract valuation triggers the application of the key decision process as prescribed in the LBHF Constitution. As such, compliance with Part 4 (Executive Procedure Rules and Access to Information Procedure Rules) of the LBHF Constitution is required.
6. The proposed procurement involves a high value contract for the purposes of the LBHF Contract Standing Orders ('CSOs') and therefore will be subject to the requirements of Section D. This procurement strategy document should be

submitted to the Contracts Assurance Board (CAB) in the first instance and prior to its submission for approval to the relevant Cabinet Member under CSO Article 18 as this is a revenue contract. Further, as it involves a key decision, the approved report must be submitted to Committee Services for publication on the Council's website.

7. Further, the contract valuation is above the services threshold (£189,330) for the purposes of the Public Contract Regulations 2015 ('PCRs'). As such, the proposed open procedure will be subject to the process requirements contained in Chapter 2 of the PCRs.
8. The Council is under an obligation in the Public Services (Social Value) Act 2012 to consider how the letting of services contracts can benefit the social, economic and environmental well-being of their area. These are factors which will be considered and built into the contract and procurement documents. The Council has recently adopted a Social Value Policy which applies to all its contracts above £100,000 and this requires that 10% of the total scoring is for social value which will be subject to assessment by an external assessor, a company called Social Value Portal. The requirements of the assessor and the Council's policy will need to be built into the tender competition.
9. The proposal below to offer access to and use of the relevant Council property at an annual rent which is below market value could raise subsidy control issues at the relevant time – the latter would not arise if the Council was in receipt of rent which is equal to the market value.

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Background Papers Used in Preparing This Report - None

Background

1. The Council's current refuge contract, delivered by Hestia, will expire on 31st March 2022. This report is for the council to tender the contract via a competitive tender under an open process to deliver for a maximum period of five years; three years with an option to extend for up to 12 months on two separate occasions. A break clause will be written into the terms and conditions of the contract.
2. The current available budget for the services is £121,900 p.a. The maximum contract value therefore for the life of the contract is £609,500. Tenderers will be made aware that the cost aspect of any tender should not exceed the budget that has been agreed for the services. The purpose of this procurement is to maximise service levels within the budget the council has available.
3. The current contract involves two refuges with a total of 14 units and includes family units and provision for single women. The Istanbul convention recommends "safe accommodation in specialised women's shelters, available in every region, with one family place per 10,000 head of population". To align with the recommendations from the Istanbul convention we would need to commission 9 female refuge spaces. The current contract therefore more than meets these recommendations by providing 14 refuge spaces. This therefore offers providers some flexibility in how they deliver the service within the budgetary requirements to ensure that service provided is of a good quality whilst being financially viable.
4. Should there be any future increase or decrease in budget, officers would seek to vary the services within the funding available through the appropriate decision-making process and exercising contract break clauses as necessary, prioritised on need and demand.
5. The Contract Manager will work collaboratively with the service provider to apply for funding opportunities that will enhance the service provision throughout the lifetime of the project
6. A break clause will be included to accommodate new housing duties as part of the Domestic Abuse Act 2021 which may result in the Greater London Authority commissioning refuge provision on a pan-London or regional basis from 1st April 2023.
7. Under the new Domestic Abuse Act, children are recognised as victims/survivors. The current contract is delivered by a single specialist provider, their refuge workers support women and their children as part of this contract. The Invitation to Tender will welcome bids from both single providers and consortia, especially where consortia can provide additional value to the services.
8. One building is leased to the current service provider by Notting Hill Housing Group and the other building is a H&F property. The leases for both buildings will be renewed with the successful provider from April 2022.

9. Stakeholders and service users have been consulted on the service specification for the refuge contract from April 2022. The specification will incorporate a needs assessment of current provision conducted from April 2021.

Reasons for Decision

10. To agree the procurement strategy of refuge provision, a vital service for vulnerable women and children fleeing violence against women and girls. The services contribute to the council's commitment to ending Violence Against Women and Girls.

Contract Specifications Summary

11. The services being procured are for a refuge provision service to support women and children experiencing domestic abuse and other forms of violence against women and girls. Officers propose to let the contract for a maximum period of five years – a three -year initial term, with an option to extend for up to 12 months on two separate occasions. The maximum length of the contract is to ensure services are attractive for the marketplace to bid for, and to provide continuity for service users.
12. Due to the new housing duties placed on the Greater London Authority (GLA) as part of the Domestic Abuse Act 2021 there will be a break clause written into the terms and conditions, with continuation dependent on the strategy and commissioning decisions of the GLA in respect to those duties.
13. Additional funding for any future changes in the contract value is not included in the approved budget and will have to be sought separately.

Procurement Route Analysis of Options

14. **Option 1** – To offer the contract via a competitive tender under an open process to deliver services for a maximum period of five years. This is the recommended option. The contract will be for three years initially, with an option to extend for up to 12 months on two further occasions. A break clause will be written into the terms and conditions of the contract.
15. **Option 2** – Do nothing and let the current service continue on an implied contract. This is not the recommended option. The service provider could end their commitment and vulnerable women and children will be at risk and the borough would be left without refuge services.
16. **Option 3** – Make a direct award to the current service provider for a one-year period from 1 April 2022 until 31 March 2023. This is not the recommended option. The current contract has been ongoing since 2009. The planned recommissioning of the service in 2020 was delayed due to the Covid-19 pandemic. A competitive tender process is necessary to ensure H&F can secure the highest quality and best value contract for refuge services.

Market Analysis, Local Economy and Social Value

17. The marketplace for the services is mainly made up of third sector providers who can provide the specialisms required to support survivors of domestic abuse and their children.
18. The specification will be informed by evaluations of the current services, a comprehensive needs assessment, and engagement with providers, service users and other stakeholders. Stakeholders and service users were initially consulted in April 2021 and we will continue to consult with them throughout the process.
19. Officers intend to tender the contracts under an Open Procedure with no Pre-Qualification Questionnaire (PQQ) and advertise the contracts via the Capital E Sourcing portal. Due to the importance of having high quality service provision in this field, and the potential adverse impacts of not achieving as high a quality service as possible within the available budget, officers intend to tender the contracts based on a 20:80 Cost:Quality ratio. The social value question will be evaluated at 12.5%.
20. The successful service provider must confirm that the staff involved in delivering the services will not be subject to zero-hour contracts, and will have suitable employment terms and conditions, including the payment of the London living wage.
21. Before sending out the invitation to tender and during the tender process, officers will discuss social value with potential providers and advise them of the council's requirement of a minimum of 10% of the total value of the contract. The successful provider will need to register with the social value portal. All potential providers will be informed at the point of the invitation to tender of the annual fees associated with registration and use of the portal.
22. Key areas where the Council would like providers to add social value are employment, training and volunteering opportunities for H&F residents. It is anticipated that the social value created as part of the contract will include voluntary hours and placements not funded through the contract. They will promote local skills and employment by offering support and training to women in the refuge and women facing multiple disadvantages. This will reflect the council's value for building shared prosperity. We would also expect funding and donations for our local community i.e. the service provider will bid for funding and donations to support the vulnerable women and children in the refuge and in doing so reflect the council's value of doing things with people not to them. We would anticipate that staff members have access to multidimensional wellbeing programmes, and this supports H&F's value of being a compassionate council. The service provider will be expected to provide equality, diversity and inclusion training to all team members and their supply chain staff. They should also require their suppliers to adhere to a modern slavery statement relating to the recruitment of their staff. This will support the council's value of taking pride in H&F.

23. It is worth noting that depending on the size and nature of the organisation who is successfully awarded the contract the exact deliverables may vary, and these will be determined during the tender process.

Risk Assessment and Proposed Mitigations

24. The Key risks for the procurement and proposed mitigations are outlined in the table below:

Risk	Mitigation
Due to the specialist nature of provision there is likely to be a small number of service providers who will bid for the contract.	We have consulted with a wide range of providers including small service providers as part of the initial consultation and will continue to do so throughout the procurement process.
The Greater London Authority (GLA) in fulfilling their new housing duties as part of the Domestic Abuse Act (2021) may choose to commission refuge provision Pan-London from April 2023.	There will be a break clause written into the terms and conditions after the first year.

Timetable

25. The estimated procurement timetable is outlined below.

Key Decision Entry (Strategy)	By 1 June 2021
Contracts Assurance Board (Strategy)	22 September 2021
Cabinet member sign off	23 September 2021
Market Engagement	Week commencing 25 th October 2021
Find a Tender Service Notice	08 November 2021
Closing date for clarifications	15 November 2021
Closing date for applications	03 January 2022
Evaluation of Tenders	10 – 14 January 2021
Key Decision Entry (Award)	14 January 2021
CAB (Award)	19 January 2021
SLT/Cabinet Member (Award)	20 January 2021
Find a Tender Service Contract Award Notice	21 January 2022
Contract engrossment	21 Jan 2022 – 31 Mar 2022
Contract mobilisation and implementation	21 Jan 2022 – 31 Mar 2022

Contract Commencement date	1 April 2022
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Selection and Award Criteria

26. The contract will be let based on a ratio of 20:80 Cost:Quality. Officers consider that although the council is committed to ruthless financial efficiency, the users of the services being tendered are in such a position of potential vulnerability to serious violence that an additional emphasis on the quality of services being provided is justified.

27. The prices will be scored using the following formula to give a score out of 100:
Bid's Score = $100 \times (\text{lowest total cost} / \text{bid cost})$.

The total will then be multiplied by 0.2 to give a score out of 20 (the price score out of 100 total)

Example:

Bid A price - £100,000

Bid B price - £110,000

Bid C price - £120,000

Score

Bid A – $100 \times (100/100) = 100$ – 20/20 for price

Bid B – $100 \times (100/110) = 90.9$ – 18.18/20 for price

Bid C – $100 \times (100/120) = 83.33$ – 16.67/20 for price

28. The Quality criteria will be scored on questions based on the KPIs detailed in contract management section. The questions and weighting will be developed by the project management team. The procurement will be taken forward by a project team from the council's Community Safety Unit, with advice from the council's corporate procurement team.

29. The tender assessment panel (TAP) representatives from H&F's Community Safety Team, including the Community Safety Manager, the Victims' Programme Coordinator and the Policy and Service Development Lead. They will make the recommendation to award to Deputy Leader, after shortlisting and scoring tenders based on the criteria set out in the tender documents.

30. Social Value will be assessed as part of the quality evaluation at 12.5%. The Procurement team alongside the service providers will quantify the number of activities that the supplier can deliver beyond their contractual obligation. These measurements can then be made part of the contract's key performance indicators (KPIs). These activities will be monitored and delivered during the lifetime of the contract.

31. Contract Management

32. Key performance measures for the contract include:

- Number of women accessing refuge
- Number of children accessing refuge

- Timeliness between referral and women moving into refuge
- Uptake of a range of services provided by refuge
- Number of high-risk cases
- Increased feelings of safety reported by service users as a result of access to refuge provision
- Reduced risk of repeat victimisation
- Move on from refuge to various tenure types
- Social value activities

33. KPIs will be reported against quarterly to monitor performance. Where performance is beneath what is expected, the council, the providers and other parties will be expected to collaborate in order to achieve optimal performance. A clearly defined default procedure will be set out in the contract.

34. Following the award of the contract, the service provider performance will be managed by the community safety Victims' Programmes Coordinator.

35. Quarterly returns and an annual report will be produced which will be made available to senior officers and interested councillors as required.

36. Once agreed the social value measurements will be made part of the contract's key performance indicators (KPIs). These activities will be monitored and delivered during the lifetime of the contract

Equality Implications

37. There are no direct negative equality implications, under the Equality Act 2010, for those service users from groups with protected characteristics by the approval of this report. A positive impact on certain groups with protected characteristics is anticipated by the commissioning / re-commissioning for this service supporting vulnerable residents.

38. An Equalities Impact Assessment has been completed and is attached at Appendix 2

Risk Management Implications

39. The report sets out the business case and procurement strategy to procure a contract from April 2022 which is aimed at supporting vulnerable residents within the borough, specifically for a refuge provision service to support women experiencing domestic abuse and other forms of violence against women and girls, which is in line with the Council's priorities. Officers have identified a number of risks associated with the procurement and a range of appropriate mitigations to manage those risks. Officers have also set out a timetable to ensure that the new contract can be put in place by April 2022.

Implications completed by: David Hughes, Director of Audit, Fraud, Risk and Insurance, 07817 507 695.

Climate and Ecological Emergency Implications

40. The service provision is available 24 hours a day and combines housing with support services delivered onsite. It is accessible for all by foot, bike, or public transport, including for disabled people. It makes use of products and resources that are re-used, recycled, or renewable. It has a neutral impact in terms of Homes, buildings, infrastructure and energy, travel, consumption, ecology, adaption and Engagement and influence as it uses existing infrastructure.

Implications verified by: Hinesh Mehta, Strategic Lead – Climate Emergency, tel 07960 470125

Local Economy and Social Value Implications

41. The service has considered Social Value and is aware of the council's requirement that all procurement activity over a £100k should result in 10% Social Value commitments. The areas of focus for the service, include employment and skills, volunteering and capacity building for local communities.

42. The service has stated that officers will discuss social value with potential providers and advise them of the council's requirement of a minimum of 10% of the total value of the contract (paragraph 21). It is recommended commissioners complete the market engagement well in advance of the 8 November 2021 and a date should be included in the procurement timeline. In this market engagement, commissioner should liaise with the Social Value Officer to ensure suppliers will understand the Council's social value requirement before the tender is published. The suppliers will be able to consider what social value contribution they may make in advance so to ensure the quality of submissions.

43. Bidders will be required to register on Social Value Portal to enter their social value quantitative responses. The Successful Bidder is responsible for paying the Social Value Portal Management Fee for the term of the Contract.

44. It is recommended that contract managers will work with the Council's Social Value Officer to ensure commitments are being effectively monitored and delivered. The final contract should contain appropriate social value clauses so that the Council can enforce its right to compensation if social value commitments are not delivered.

Implications verified/completed by: Ilaria Agueci, Social Value Officer, tel. 0777 667 2878

Consultation

45. Key stakeholders that have been consulted include the Police community safety unit, Children family services, Adult Safeguarding and specialist service providers: Hestia, IKWRO, Standing Together Against Domestic Abuse, WGN, Stay Safe East, St Mungo's and Turning Point.

46. Eight service users from multiple refuge sites were consulted as experts by experience. All support the continuation of the service provision and provided valuable information contributing to the design and delivery of the new contract.

Property Implications

47. The current contract is delivered across 2 buildings. One building is leased to the current service provider by Notting Hill Housing Group, who have indicated that they would renew the lease with the successful provider from April 2022.

48. The other building is a H&F property. The lease for this building expired on 31st March 2016 and Hestia subsequently completed a "Tenancy at will" on 4th May 2017 at a rent of £29,250 p.a pending renewal of lease. The tenancy at will is still ongoing to date.

49. The Council will hope to negotiate a term of lease consistent with the above service contract on full repairing and insuring basis at current market value of £39,000 per annum with the successful provider.

List of Appendices

APPENDIX 1 – BUSINESS CASE

APPENDIX 2 – Equalities Impact Assessment

**REPORT RELATING TO BUSINESS CASE; PROCUREMENT STRATEGY;
REFUGE PROVISION SERVICES FOR WOMEN AND CHILDREN
EXPERIENCING DOMESTIC ABUSE & VIOLENCE AGAINST WOMEN & GIRLS**

BUSINESS CASE

1. BUSINESS CASE – WHY THE PROCUREMENT IS NEEDED

The services being procured are for refuge provision to support women and children experiencing domestic abuse and other forms of violence against women and girls from April 2022 to March 2027.

The refuge services are targeted at:

- Women experiencing domestic abuse and sexual violence and assault (including controlling and coercive behaviour);
- Women experiencing stalking and harassment;
- Women who are experiencing so called “Honour based violence”
- Women who are experiencing multiple forms of VAWG
- Women who are experiencing multiple disadvantage

The service will also support Children who are recognised as victim/survivors and may have directly experienced abuse and face multiple disadvantage.

These are existing services which are currently delivered across 2 buildings totalling 14 units by a single specialist provider.

The Istanbul convention recommends “safe accommodation in specialised women's shelters, available in every region, with one family place per 10,000 head of population”. The most recent borough profile in 2018 estimates there are 185,004 people living in the borough of H&F, with 51% being female. To align with the with recommendations from the Istanbul convention we would need to commission 9 female refuge spaces. The current contract therefore more than meets these recommendations by providing 14 refuge spaces.

Ending Violence Women and Girls is a strategic priority for H&F. Supporting victims of abuse including victims of all forms of VAWG such as FGM is a manifesto commitment incorporated into H&F’s business plan.

Ending VAWG is similarly a strategic priority for the Community Safety Partnership and is a mandatory high harm priority for all London boroughs.

Both the Children’s Safeguarding Board and the Safeguarding Adult’s Board have ending VAWG within their action plans and priorities.

H&F are a partner in the Whole Housing Approach (WHA) pilot (now in its 3rd year) alongside other local authorities in West London, Cambridgeshire and Stockton. Partners include Standing Together Against Domestic Abuse, Advance, Refuge, Domestic Abuse Housing Accreditation and Surviving Economic Abuse. The key objectives of the pilot are to improve access to safe and stable housing across all tenure types (social, private rented, home ownership) and to ensure access to a range of housing options and initiatives tailored to the needs of people experiencing domestic abuse including refuge accommodation. The refuge service is a vital component in how H&F respond to victim/survivors of domestic abuse and VAWG with housing needs.



Part 4 of the Domestic Abuse Act (2021) stipulates support must be provided to victims of domestic abuse, or their children, who reside in relevant accommodation, including:

- Advocacy support – development of personal safety plans, liaison with other services (for example, GPs and social workers, welfare benefit providers)
- Domestic abuse-prevention advice – assist victims to recognise the signs of abusive relationships, to help them remain safe (including online) and to prevent re-victimisation
- Specialist support for victims with protected characteristics and/or complex needs or facing multiple disadvantage
- Children’s support – including play therapy and child advocacy
- Housing-related support – providing housing-related advice and support, for example, securing a permanent home and advice on how to live safely and independently
- Counselling and therapy for both adults and children

The service specification will align with the new housing duties and all relevant sections of the Domestic Abuse Act.

The service specification will be informed by consultation with service users, service providers, other council services and external evaluation.

We will continue to work collaboratively in partnership with service users and the Environment Department, Housing, Children's Services, Adult's Services, Public Health and with external statutory and third sector agencies and in doing so this supports the Council to meet its priorities to: *do things with residents, be ruthlessly financially efficient, create a compassionate council.*

1. FINANCIAL INFORMATION

The current budget available for the Refuge service is £121,900 per annum. The maximum contract cost from April 2022 to March 2027 would be £609,500.

The funding for the contract will be contained within the Supporting People and General Funds held by Environment Department-Community Safety.

Additional funding for any future changes in the contract value is not included in the approved budget and will have to be sought separately.

This service does not accrue any income. By seeking to commission the services for less money there is a significant risk that we would not be providing as good a service or as many staffing hours as possible, which could significantly impact on the risks to survivors of domestic violence and abuse. The value of engaging with and improving the safety of women at threat of domestic violence and abuse is incalculable.

2. OPTIONS APPRAISAL AND RISK ASSESSMENT

The options considered were:

1. Option 1 – To offer the contract via a competitive tender under an open process to deliver services for a maximum period of five years. This is the recommended option. The contract will be for three years initially, with an option to extend for up to 12 months on two further occasions. A break clause will be written into the terms and conditions of the contract.
2. Option 2 – Do nothing and let the current service continue on an implied contract. This is not the recommended option. The service provider could end their commitment and vulnerable women and children will be at risk and the borough would be left without refuge services.
3. Option 3 – Make a direct award to the current service provider for a one-year period from 1 April 2022 until 31 March 2023. This is not the recommended option. The current contract has been ongoing since 2009. The planned recommissioning of the service in 2020 was delayed due to the Covid-19 pandemic. A competitive tender process is necessary to ensure H&F can secure the highest quality and best value contract for refuge services.

THE MARKET

The marketplace for the services is mainly made up of third sector providers who can provide the specialisms required to support the survivors of domestic abuse.

The current service provider whilst an experienced housing provider for people in crisis is not a specialist provider of domestic abuse and VAWG services.

The specification will be informed by evaluations of the current services, a comprehensive needs assessment, and engagement with providers, service users and other stakeholders. Stakeholders and service users have been consulted in April 2021 and support the continuation of the refuge service. Engagement with stakeholders and services users will be consistent throughout the procurement process.

Officers intend to tender the contracts under an Open Procedure with no Pre-Qualification Questionnaire (PQQ) and advertise the contracts via the capital E Sourcing portal. Due to the importance of having high quality service provision in this field, and the potential adverse impacts of not achieving as high a quality service as possible within the available budget, officers intend to tender the contracts on the basis of 20:80 Cost:Quality ratio.

Tenderers will be made aware that the cost aspect of any tender should not exceed the budget that has been agreed for the services. The purpose of this procurement is to maximise service levels within the budget the council has available.

EQUALITY IMPACT ASSESSMENT



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