

COVID-19 Contracts & Commissioning Board (CCB)

Summary Report & Recommendations

1. Details

Project title:	Award of Extension – Emergency Accommodation and Meals
Name and role of report author:	Amanda Lilley – Category Manager (Construction and Maintenance)
Directorate and Service Area:	Homes and Social Inclusion
Executive Director of Place Director/Head of Service:	Shifa Mustafa (Executive Director of Place) Ozay Ali (Director of Homes and Social Investment) Shelley Williams (Head of Service – Corporate Service Service)
Statutory Service (Yes or No):	Yes
Procurement Stage (RP2 or RP3):	RP3
Key Decision (Yes or No - if Yes, include ref and if using General Exemption):	No

2. Summary

In an emergency response to COVID-19, the Council originally provided emergency accommodation and catered for residents suffering from Covid-19 who could not self-isolate at home or to accommodate those who became homeless. This was to enable people to adhere to the guidance on hygiene or isolation, including for those who are at risk of sleeping rough. In order to comply with this request, the Council was able to use third party accommodation providers to ensure this provision and it was not possible to know at the time when lockdown would be released until this became effective from 4th July 2020. The Council secured rooms at Lansdowne Hotel from 17th April 2020 at a total value of £185,150:

Emergency Accommodation	Term	Number of Rooms	Total Cost £	Volume of Catering Requirements	Total Cost £	Grand Total
Lansdowne Hotel	17/4/2020-17/7/2020	42 rooms	£136,850	2 meals a day	£48,300	£185,150

The purpose of this report is to seek an extension of the existing agreement with Lansdowne Hotel to continue providing general accommodation for those who are homeless with complex needs. With the relaxation of self-isolation rules, there is no longer a requirement to provide food and therefore this element of the contract is not being renewed. This is due the lockdown being eased therefore people can purchase their own food and there are cooking facilities on site as previously. If someone has to self-isolate then appropriate arrangements will be provided so that they are supported the same as in the other nightly lets. The charge is £42.50 however the Council will recover some of this from the housing benefits for the respective tenants.

Emergency Accommodation	Number of Rooms	Agreement Period	Unit Price per Room	Total Cost £
Lansdowne Hotel	42 rooms	17 th July 2020-31 st October 2020 (105 days)	£42.50 (no meal provision required)	£187,425
Emergency Accommodation Total Expenditure to 31 st October 2020.				£372,575

Lansdowne Hotel was secured for general homelessness accommodation that may require more support i.e. mental and physical needs. To ensure financial viability, the Council secured 42 rooms (basic facilities) and due to the rooms not having appropriate cooking facilities or food storage, arranged for provision of 2 meals (food packs/microwave) per day, for a minimum period of 12 weeks at a total value of £185,150.

In accordance with the letter received from the Minister for Rough Sleeping and Housing dated 28th May 2020, it has been requested for the Council when arranging move-on accommodation for people sleeping rough, to:

- a) Explore sustainable options, including through partnership with housing associations and in the private rented sector;

- b) Encourage people sleeping rough to stay with friends or family, 'where appropriate and possible;
- c) Where no move-on possibility exist, to provide short-term accommodation whilst looking into long-term options.

The report is now seeking approval to extend this period until the end of October 2020 for the accommodation element only so that the accommodation provision can continue during this pandemic particularly where there are no move-on possibilities existing. Also to enable the Council to respond to the rising demand from September onwards due to the Government lifting ban on evicting renters amid the Covid-19 pandemic.

This proposed contract extension up to 30th October 2020, will enable the Council to develop its short/medium term strategic commissioning options to determine suitable provision arrangements that offers an economical and socially viable solution. An update to be provided to CCB during September to outline the key intentions and short/medium term strategy.

This will inform the proposed approach whilst the Council reviews its long term provision strategy. This may include exploring the proposed delivery model of Croydon Park Hotel which belongs to the Council, using this as an opportunity to generate income for the Authority.

The agreement for Lansdowne includes the provision of management of the rooms (not limited to) including Security; Cleaning; etc. With 24/7 presence from the same Company that currently manages the adjoining hostel accommodation to cater for the type of residents likely to be placed within this facility. All costs for the rooms will be charged to housing.

Due to the original unforeseen circumstances and extreme urgency to commission the required accommodation and welfare emergency provision to support Croydon's vulnerable residents with no available move-on possibilities, and in response to the statutory requirement to maintain continuity of provision during this current COVID-19 pandemic in response to Minister of Homelessness, it is recommended to:

Approve the proposed variation of existing contract from £185,150 to an increased total value of £372,575 (an additional £187,425), to enable the existing agreement to Lansdowne Hotel to be extended from 17th July to end of October 2020.

The proposed modification does not fall within the permitted modifications under PCR 2015 as the increase in value exceeds 50%. Having said that, if treated as a new above PCR threshold procurement the circumstances may qualify for application of Reg 32 (2) (c) PCR .Therefore it is not considered that there is significant risk of the extension being challenged and there is greater risk in ensuring the vulnerable homeless residents are accommodated during the current COVID19 pandemic in accordance with the Council's statutory duties and in response to letter received from the Minister for Rough Sleeping and Housing dated 28th May 2020 .

It is noted that the actual expenditure relating to this imminent provisions is likely to fluctuate however this will be closely monitored by the Head of Asset Management and Estates with Finance. A copy of the agreed terms and conditions with Lansdown Hotel is currently with Head of Estate.

Options considered:

- Option 1 (not recommended) – Undertake a formal procurement: for the reasons set out above due to Covid-19 pandemic this has not been possible to achieve within the timescales. There are also ongoing provision requirements which a change in Provider at this time would interrupt workflow and likely delay would cause significant impact vulnerable residents.
- Option 2 (not recommended) – do nothing: this is a statutory service requirement and advice from Central Government is to continue to deliver in the current circumstances, as explained above.
- Option 3 (recommended) – Undertake extension of contract for the provision emergency accommodation and meals to Lansdowne Hotel is recommended to enable provision to meet Council's response to COVID-19 pandemic in accordance with Government guidance received from the Minister for Rough Sleeping and Housing.

3. Recommended Procurement Strategy during COVID-19

Recommendation:

Pursuant to Part 5 A Article 1.7 (Urgency Decisions) of the Council's Constitution the Cabinet Member for Homes and Gateway services in consultation with the Cabinet Member for Finance and Resources as the relevant body is recommended to approve:

1. The extension by way of variation of contract with Lansdowne Hotel from 17th July 2020- end of October 2020 at an additional value of £187,425 (total increased value £372,575) for the provision of emergency accommodation.

4. Financial Implications

Details	Internal Capital	Revenue	Period of funding	External		Period of funding
				Capital	Revenue	
C13402	£187,425		July –end of October 2020			

5. Actions

Action	Action owner	Date
Contract Management Arrangements to be established to monitor performance expenditure.	Head of Asset Management and Estates	July 2020

6. Outcome and approval

Outcome	Date agreed	
CCB approved Cllr Hall approved	CCB	CCB1600/20-21 (19/08/2020)
	Leader/Lead Member	