

Committees:	Dates:
Finance Committee - For Decision Community & Children's Services Committee – For Information Only	19/09/2023 14/09/2023
Subject: City Assessment Centre – Procurement Stage 2 Award Report	Public (Appendix 1 – Non-Public)
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	Contribute to a flourishing society: outcomes 1, 2, 3 and 4
Does this proposal require extra revenue? and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	DCCS Local Risk
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Judith Finlay – Executive Director, Department of Community and Children’s Services Genine Whitehorne – Commercial Director, Chief Operating Officer	For Decision
Report authors: Mohammad Mostafa, Category Manager, City Procurement, Corporate Services John Barker, Commissioning Manager, Homelessness & Rough Sleeping	

Summary

Following a one-stage open tender procurement process, Thames Reach has been identified as the preferred agency to provide accommodation management and support at the City of London Rough Sleeper Assessment Centre.

Recommendation

Members are asked to:

- Approve the award of the contract to Thames Reach for a period of three years, from January 2024 at a value of £1,485,000, (plus the potential to extend for a further two years, at a total value of £2,475,000).
- Delegate the authority for the decision to extend the contract to the Department of Community and Children’s Services (DCCS) Category Board.

Main Report

Background/Current Contract

1. On 20 July 2022, the Stage One Procurement Strategy Report for the City of London Rough Sleeper Assessment Centre was presented and approved by the Operational Property and Projects Sub-Committee.
2. The service will form a key part of the accommodation pathway for those sleeping rough in the City of London and is integral to the City's commitment to ensure that anyone sleeping rough within the Square Mile is offered a credible route off the streets in line with their strengths, needs and entitlements. This will include supporting the effective operation of the wider accommodation pathway and complementary commissioned services, engaging and building strong relationships with the wider community (businesses, churches, local residents), maintaining effective partnerships with voluntary and statutory sector services that also have a role to play in supporting or working with service users, and maximising available accommodation opportunities.
3. The initial timeline outlined in the Stage One report was put back, primarily due to the accommodation refurbishment program being delayed as a result of supply-line inflation and the resulting need to re-evaluate refurbishment contract tenders. The refurbishment of the building and the procurement of the support service provider are running in tandem.

Agreed Scope/Objectives

4. The service will provide a safe, accessible space for people sleeping rough in the City of London so that their needs can be assessed and met whilst working on establishing a rapid route away from street homelessness. For many, who will not have a connection to the City of London, this will include reconnection to their local areas. The fundamental aim of the service is to identify a credible and sustainable route off the streets and encourage and support each service user to work with the service to take up the resettlement offer that is being made.

Procurement

5. A 'market warming' event was held on 6 June 2022. This was followed by a further presentation to market providers on 16 March 2023. This event served to refresh provider interest in the upcoming tender opportunity, update them on the most recent plans and status of the concurrent refurbishment works to the host building. The event attracted eight providers.
6. The tender for this service went live on 6 April 2023. A site visit for potential providers took place on 28 April 2023 and clarifications on the tender were invited up until 5 May 2023, with 48 clarifications received and responded to. The tender closed at 5pm on 19 May. The Capital E-Sourcing Portal used for this tender ensured that it was available to all relevant market providers. The tender was also advertised on the Government's Find a Tender portal.

Four bids were received from market providers. These were evaluated on prequalification criteria, technical response including a face-to-face presentation, responsible procurement, and value for money (See Appendix 1).

7. The full evaluation and moderation of all aspects of this tender has resulted in Thames Reach being chosen as the preferred provider for this service.

Opening the Scheme

8. Next Steps

With the refurbishment of the building currently underway and targeted for handover in December 2023, the timeline for this project is as follows:

Provisional contract award notification	20 September 2023
10-day standstill	20 th September – 29 September
Expected contract award	2 October 2023
Contract mobilisation	2 October 2023 – 2 January 2024
Contract commencement	January 2024

The mobilisation period for the successful provider will include such activities as:

- recruitment to relevant positions
- handing over and equipping the property
- establishing the service contracts needed to operate the scheme
- establishing partnerships with other services involved in the care and support of those sleeping rough
- forming policies and pathways
- establishing neighbourhood and wider relationships
- setting service standards and key performance indicators

As part of the technical evaluation, the preferred provider has submitted a full mobilisation plan. City of London Commissioners will manage their progress towards the scheme opening.

There will be opportunities for members to visit the scheme within this mobilisation period as we move towards handover of the site from the refurbishment contractors. Communication to the wider sector and liaison with the local community and neighbourhood will take place in this period with a view to an official opening once the scheme is established.

Corporate & Strategic Implications

9. Strategic implications

- None

10. Financial implications

The contract cost is fully funded from within the existing local risk revenue budget.

11. Legal implications

Thames Reach will be expected to comply with the agreed form of lease and will be expected to allow the City to retain a presence within the premises following practical completion of the refurbishment works and completion of the lease. Thames Reach will also have to comply with the contract's lease terms, including entering into a statutory declaration, excluding the provisions of Part II of the Landlord and Tenant Act 1954, prior to commencement of the services.

To mitigate any data protection risk, a Data Protection Impact Assessment is currently being undertaken in accordance with Article 35 of the UK's General Data Protection Regulation (GDPR). Thames Reach use Salesforce, which is a global sub-processor. As the City's Data Protection Officer, I am satisfied that there will be no need to enter into an International Data Transfer Agreement, assuming that the following contractual obligations are agreed:

- Any City Data must be solely and exclusively held by the provider's sub-processor, Salesforce, within their Data Centre based in the UK.
- Salesforce's Binding Corporate Rules, which were approved by the Information Commissioner on 13 February 2023, (see: https://www.salesforce.com/content/dam/web/en_gb/www/images/company/salesforce-uk-bcr-february2023.pdf), are an appropriate safeguard for the transfer of data in accordance with the provisions of Article 46 of the UK's GDPR.
- Thames Reach must remain liable for all Salesforce acts and omissions.

Following the expiry of the 10-day mandatory standstill period under the Public Contracts Regulations 2015, and provided there is no legal challenge to the contract award, further clarification will need to be sought from Thames Reach as to the subcontractors they intend to use for any maintenance services, and so on, since the contract terms require prior approval by the City.

As agreed with the City Surveyor, and in accordance with the terms of the contract, a written instruction will be issued to Thames Reach to commence the services following mobilisation as soon as the City Surveyor is satisfied that the refurbishment works have been completed.

12. Risk implications

The preferred provider, Thames Reach, is on a secure financial footing and an appraisal of their most recent accounts by the Chamberlain's Department as part of the procurement process gave no cause for concern. Thames Reach is very experienced in providing similar services, as was tested at pre-qualification and from market knowledge. The three-month mobilisation timeline mitigates risks as it is an adequate length of time to gear up the service, recruit quality staff and management and put partnerships in place with stakeholders.

In dealing with a cohort of vulnerable adults, there are a number of other risks to be managed. However, these risks are mitigated by procuring an experienced and capable provider to manage the project, and also reserving office space within the

scheme to ensure the presence of a City of London officer. Risks will be monitored on an ongoing basis via the contract management process.

13. Equalities implications

A project Equalities Impact Assessment undertaken concluded that the introduction of this Assessment Centre would have a positive impact on those with protected characteristics who are more likely to encounter rough sleeping. The provider understands fully that protected characteristics can add challenges to vulnerable people accepting a service.

14. Climate Implications/Responsible Procurement

Responsible procurement made up 15% of the total evaluation, and was broken down into three subsections: Sustainability, Carbon Reduction and Social Value. Contract monitoring will involve environmental inspections of properties to ensure that the tender's requirements are being carried out. The preferred provider has also undertaken to give access to its resources in training, fundraising, communications, and access to employment for young people.

15. Security implications

- None

Conclusion

This report seeks approval from Members to:

16. Award the contract to Thames Reach for a value of £1,485,000 from January 2024 for an initial period of three years, with the potential to extend for a further two years (total value £2,475,000).

17. Delegate any contract extensions to the DCCS Category Board.

Appendices

- Appendix 1 (Non-Public) City Assessment Centre – Procurement Stage 2 Award Report, 19 September 2023

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