

Policy and Resources Committee Meeting	
Meeting Date	29 November 2023
Report Title	Nightly Paid Temporary Accommodation Tender Outcome
EMT Lead	Emma Wiggins, Director of Regeneration and Neighbourhoods and Lisa Fillery, Director of Resources
Head of Service	Charlotte Hudson, Head of Housing and Community Services and Claire Stanbury, Head of Finance and Procurement
Lead Officer	Roxanne Sheppard, Housing Options Manager and Charlotte Knowles, Commissioning Manager
Classification	Open
Recommendations	<ol style="list-style-type: none"> 1. To note the outcome of the tender process. 2. To approve a waiver of contract standing orders.

1 Purpose of Report and Executive Summary

- 1.1 The purpose of this report is to provide feedback on the outcome of the tender for temporary accommodation and to seek approval of a waiver of contract standing orders.

2 Background

Introduction and general description of the service

- 2.1 Maidstone, Tunbridge Wells and Swale Borough Councils (the Council's) have been exploring options for the procurement of ad hoc Nightly Paid Accommodation.
- 2.2 This is a critical service the Councils have a statutory duty to provide. The Councils provide a customer focused service that aims to ensure customers' needs and requirements are met through temporary accommodation placements.
- 2.3 This joint project began in early 2021, Procurement have facilitated extensive discussions between the Housing teams. The project started by agreeing the minimum standards the Councils expected of all temporary accommodation providers. These discussions helped us to define the Councils priorities and identify our route to market.
- 2.4 After conducting extensive market engagement, we explored all available options. The Housing Teams agreed that an open Find a Tender Service (FTS) tender to build a panel of suppliers would present the best route to market so that the councils could use multiple providers.

Current Processes

- 2.5 For many years, the Councils have operated using a variety of providers under various short-term agreements. The market had never been fully tested and the Housing teams are reliant on in house knowledge. The number of providers currently being used is limited and leads to occasions where the Council is overcharged for accommodation that does not always meet our high standards.

Tender process

- 2.6 The Councils were limited in the way in which this service could be procured due to the overall spend of each authority. We identified the following 3 routes to market:
- Compliant FTS Tender
 - Procurement via a Framework Agreement
 - Procurement via a dynamic purchasing system.
- 2.7 The Councils proceeded to critically assess each of the available routes to establish which would enable us to achieve the desired result of high-quality accommodation at rates that would allow us to be able to better manage our budgets. We were unable to find a framework that would meet the requirements of the Councils. We extensively explored a dynamic purchasing system; however, it was agreed that the system was not suitable as this would increase the already spiralling costs. It was agreed that an open FTS level tender would provide the most flexible route to market which would fulfil the Councils requirements.
- 2.8 A full FTS level procurement process was conducted, led by Tunbridge Wells, in order to test the market. The tender advert was posted on FTS, Kent Business Portal and the Contracts Finder website and was live for 8 weeks. The deadline for submission was 12:00pm on 21st of March 2023.
- 2.9 38 companies expressed an interest in the opportunity and were able to download the documents from the portal.
- 2.10 Of these 38 companies, 1 advised that they would not be responding to the opportunity and opted out of the procurement exercise.
- 2.11 9 submissions were received on time, with 28 companies failing to respond at all.
- 2.12 The evaluation was weighted 50% on Qualitative criteria, with 50% weighting on cost. The quality criteria included a 10% weighting on social value (Tunbridge Well's standard procedure). Tenderers needed to achieve a minimum of 50% of the total quality marks available to remain in the process.

Invitation To Tender Evaluation process

- 2.13 After opening the tender, Maidstone and Tunbridge Wells' Senior Procurement Officer carried out an initial assessment of the tenders received. The tenders received were checked for compliance with the mandatory requirements stated within Invitation to tender document. A secondary check of the geographical area that each tenderer services was conducted along with a review of their property lists.
- 2.14 Many of the tenders received were non-compliant with the mandatory requirements set out in the invitation to tender. They had either not provided vital documentation or had not submitted fixed cost proposals.
- 2.15 Maidstone and Tunbridge Wells' Senior Procurement Officer and Swale's Commissioning Manager informed the evaluation team of the number of tenders received and fed back details from the initial evaluation of each tenderer.
- 2.16 The Housing teams agreed that we did not have enough tender responses to form the desired panel. As many of the tenders received were not compliant with the requirements set out in the invitation to tender, the Housing teams decided to cancel the current tender process.

3 Proposals

- 3.1 It is recommended that the Councils cancel this tender process, continue to operate under the short-term agreements in place with local providers for the foreseeable future, and consider running this exercise in 24 to 36 months' time. The current market conditions have resulted in some tenderers being unable to commit to a fixed price arrangement. In rerunning this tender at a later date, it is anticipated that the housing markets may have settled and we that we could find ourselves in a more receptive market.
- 3.2 Legal have advised that a Waiver should be sought to ensure compliance with Contract Standing Orders. It is acknowledged that Public Contracts Regulations cannot be waived but as a compliant procurement process has been undertaken which was unsuccessful, the risk of challenge is low.
- 3.3 Contract Standing Orders require committee approval of waivers over £120,000 (including VAT).

4 Alternative Options Considered and Rejected

- 4.1 Do nothing.

5 Consultation Undertaken or Proposed

- 5.1 Mid Kent Legal Services and the Housing Options Manager have been consulted.

6 Implications

Issue	Implications
Corporate Plan	Contributes towards renewing local democracy and making the council fit for the future.
Financial, Resource and Property	<p>Costs continue to be managed in house, and only the most cost-effective bookings are made where possible.</p> <p>Actual spend for 2022/23 was £4,353,067.</p>
Legal, Statutory and Procurement	<p>A procurement process was undertaken that was fully compliant with The Public Contracts Regulations 2015 but was unsuccessful.</p> <p>The Public Services (Social Value) Act 2012 - Tenderers were asked to put forward their version of how they could add social value to the Council for the duration of this contract.</p>
Crime and Disorder	None identified.
Environment and Climate/Ecological Emergency	None identified.
Health and Wellbeing	Monitored through Housing options procedures.
Safeguarding of Children, Young People and Vulnerable Adults	Continue to ensure all Safeguarding procedures are followed and concerns reported appropriately.
Risk Management and Health and Safety	Temporary accommodation spend is identified as a strategic risk.
Equality and Diversity	None identified.
Privacy and Data Protection	None identified.

7 Appendices

- 7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Waiver request

8 Background Papers

None.