

**Invitation to Tender for Research and Consultancy Services**

**C0118a: Development of a collaborative pan-London procurement model for private rented accommodation for homeless households**

London Councils represents London’s 32 boroughs and the City of London. We are a cross-party organisation that works on behalf of all of our member authorities regardless of political persuasion.

* London Councils makes the case to government, the Mayor and others to get the best deal for Londoners and to ensure that our member authorities have the resources, freedoms and powers to do the best possible job for their residents and local businesses.
* London Councils runs a number of direct services for member authorities including the Freedom Pass, Taxicard and Health Emergency Badge. It also runs an independent parking appeals service and a pan-London grants programme for voluntary organisations.
* London Councils acts as a catalyst for effective sharing among boroughs – be that ideas, good practice, people, resources, or policies and new approaches.

The Housing and Planning Team within the Policy and Public Affairs Directorate at London Councils works on pan-London housing and planning issues, in particular advocacy and joint working.

**Summary**London Housing Directors’ are currently developing plans for greater pan-London collaboration in the procurement of housing for households that are homeless or at risk of homelessness. This follows a feasibility study that was produced last year on behalf of the London boroughs – outlining a range of potential options for greater collaboration. The business plan will take forward the proposal, which is potentially supported by a substantial budget provided to London boroughs by the Ministry of Housing, Communities and Local Government.

This brief sets out the context and requirements for the work for potential bidders. Details of how to submit a tender are provided at ‘Details of how to apply’ below.

**Context**

The number of homeless households whom London boroughs have accepted a duty to assist rose by 118% between 2010/11 and 2015/16 and levels of homelessness are set to continue rising. The Greater London Authority’s (GLA’s) conservative estimate, based on a continuation of recent trends in the number of households both accommodated in and leaving temporary accommodation [TA] and the withdrawal of some existing providers from the market, suggests that boroughs may need in the region of 50,000 tenancies for homeless households over the next four years. The figure is likely to increase as a result of the Homelessness Reduction Act, which is due to be enacted from April 2018. This level of supply is likely to come at increasing cost to boroughs, whom a London Councils-commissioned study found covered a quarter of the total cost of TA to London boroughs in 2014/15 (£170 million of £663 million) from their General Funds. It is also probable that their use of out-of-borough placements will rise.

Despite the past and planned efforts of authorities, both individually and jointly, it is evident that new approaches, of significant scale and impact, are needed to address the challenge. In that context, the Government has decided to top-slice a proportion of the Flexible Homelessness Support Grant (FHSG – the reformed Temporary Accommodation Management Fee) for London to create an opportunity for greater collaboration between the boroughs.

**Purpose**

This invitation to tender seeks to procure the business plan and other activities necessary for bringing to fruition the key proposals outlined in the report around collaborative procurement. These proposals look to centralise a proportion of some boroughs’ housing procurement functions into a centralised entity, utilising economies of scale and more efficient working processes to increase the number of properties available for households that are homeless or at risk of homelessness.

**Background**

In May 2016, the London Housing Directors’ Group established a Task and Finish Group to examine how to increase the supply of temporary accommodation or alternative privately rented accommodation, building on existing collaborative arrangements and control expenditure by councils in London. The Mayor of London’s manifesto contained a commitment to “co-ordinate councils' efforts to find stable private rented housing for those in need who are not able to move into social housing.” The initial report outlining proposals for better collaboration in procuring accommodation was supported by the Greater London Authority (GLA) and the Ministry for Housing, Communities and Local Government (MHCLG).

The key initiative being taken forward by boroughs is a proposal to pool a proportion of local authority housing procurement officers to form a single entity that can procure and manage accommodation for those households that are either homeless or face the risk of homelessness. The initiative will therefore require the successful respondent to have a detailed understanding of homelessness in London (particularly in regards to temporary accommodation) and London local authority homelessness practices and procedures. An understanding of planning for organisation change and local authority collaboration (particularly in regards to housing and homelessness policy) would also be ideal.

MHCLG is in the process of finalising funding to support this programme, and a working group of interested boroughs has been established to take forward these proposals.

* *A further, confidential, summary briefing paper can be provided upon request to respondents that confirm their intention to apply for this opportunity.*

**The opportunity being tendered**

Building on the work that has already been undertaken to identify a draft outline of the joint procurement model, the business plan for implementation will need to incorporate the following actions:

* Implementation planning for the new entity.
* Some engagement with local authorities where necessary, building on the work that has previously been undertaken in the development of the initial proposals report. This would include attending the monthly meetings of the working group of boroughs.
* Development of legal advice (including in regards to governance and legal structures) and documentation (including service level agreements) for the establishment of the new procurement entity and transferral of leases for accommodation that it will now manage.
* Linkage with a separate work stream that seeks to develop the IT platform necessary to enable this proposal.

Bidders are asked to propose an approach, as the methodology for this work will be agreed between the relevant partners that will oversee this work. The work should be completed by May 2018.

**Governance and funding**

MHCLG has provisionally agreed to fund the work. The successful applicant will need to work closely with the London Housing Directors’ Group (its Chair, members and support staff), as well as officers at London Councils and MHCLG. The successful applicant will need to be able to attend the monthly working group meetings at London Councils’ offices (currently scheduled up to and including April 2018) and other meetings as are necessary with MHCLG.

The primary contacts for this piece of work will be Alex Sewell and Eloise Shepherd of London Councils.

**Tender Submission Requirements**

Bidders should provide the following information in their tender submission:

1. Your experience of directly relevant consultancy work (including your experience of working in the temporary/homelessness accommodation sector).
2. Your understanding of the aims and objectives of the project and how it interacts with the current policy context.
3. Your experience of working in the temporary/homelessness accommodation sector.
4. Experience of planning for organisational change and cross-borough collaboration, particularly in regards to housing local authority functions.
5. An outline of your proposed methodology and approach to tasks outlined in this document.
6. Details of time inputs by individual(s) delivering the tender.
7. Experience of the individual(s), including their role on the project and tasks if relevant (CVs should be included separately in an annex, max 2 pages each).
8. If sub-contractors are to be involved in responses, evidence of their credentials and relevant past experience in this area should be provided.
9. Clear structure of charges including day/hour rates, time spent on tasks, expenses. VAT will be paid at the applicable rate.

We will evaluate your response against the evaluation criteria given below:

**70/30**: 70% quality and 30% cost

| **Evaluation criteria [Quality = 70%]** | **Weighting** |
| --- | --- |
| 1. Understanding of the policy area and London boroughs’ roles and responsibilities, including:   * Expert understanding of housing and homelessness policy. * Understanding of the temporary accommodation market and policies related to it. * A track record of work in this field, and of developing proposals and processes to reflect the circumstances of this policy area. | 40% |
| 2. The candidate/team’s experience of undertaking similar projects, particularly in regards to housing and homelessness. This includes:   * Experience of developing proposals for multi-local authority collaboration, particularly in regards to procurement. * Experience of developing new processes for managing homelessness. * Experience of undertaking detailed engagement with local authority officers to deliver buy-in and ensure a programme reflects the needs of local government. | 40% |
| 3. A clear methodology and approach to analysis that meets the project aims and objectives.   * A detailed process and timeline for how the project will be delivered. * An understanding of how stakeholders’ views will need to be reflected in this process. * An understanding of the threats/risks to delivering this type of project. * Details of any sub-contractors or partners that will be employed to assist with delivering this project (if necessary e.g. for providing legal advice). | 20% |

**Project Costs and Timetable**

Costs should be clearly presented and be inclusive of all fees, direct and indirect costs, expenses but exclusive of VAT. An example of a clear cost structure is provided in Annex 2. You should indicate based on the timings below how you would envisage the project progressing based on your suggested methodology – a clear and detailed timetable should be provided in your submission.

This project is being included in the government’s Contracts Finder database to comply with 2015 changes in national procurement policy which specifies that any procurement opportunities and contract awards above certain low thresholds (£25,000) are published on [Contracts Finder](https://www.gov.uk/contracts-finder).

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| **Activity** | **Date** |
| Deadline for receiving tender submission | Friday 9 February 2018 |
| Contractors informed of outcome | By at least w/c 19 February 2018 |
| Contract awarded | By at least w/c 19 February 2018 |
| Inception meeting | w/c 19 February 2018 |
| Bulk of project activity | February-May 2018 |
| Final outputs | By May 2018 |

**Format of Tender submission Response**

If you wish to apply, an electronic copy of your tender submission response should be sent by email to [tenders@londoncouncils.gov.uk](mailto:tenders@londoncouncils.gov.uk?subject=C0118a%20LC%20Homelessness%20Procurement%20consultancy%20[insert%20your%20organisation%20name%20here]), quoting reference number **C0118a** to arrive by **3pm, Friday 9 February**.[[1]](#footnote-1) Bidders should ensure that they have received a confirmation email of receipt of tender submission by the deadline.

**All submission documents should be provided in Microsoft Word format.**

If necessary, you may seek clarification on the procurement process or the specification by contacting Sorcha Rooney via [Sorcha.Rooney@londoncouncils.gov.uk](mailto:Sorcha.Rooney@londoncouncils.gov.uk?subject=C0118a%20Query).

Enquiries will not be answered if received within **2** days of the date for submissions of tender. Bidders should note that responses to each enquiry will be copied to all organisations bidding (though will not identify the originator of the enquiry) through the Contracts Finder Notice page and on the London Councils website.

If you are aware that the submission of your tender submission may give rise to a potential conflict of interest, please inform the officer to whom you are making the application.

***Full instructions to bidders are also provided in Annex One. Bidders are advised to read all instructions before submitting their tender submission.***

**Freedom of Information Act**

You should be aware that the information you submit may be subject to a request for information. The provision of any information to external parties by London Councils is determined by statutory conditions provided for in the Freedom of Information Act 2000.

**Equality Opportunities**

The successful contractor will be required to comply with London Councils’ Equal Opportunity Policy and bidders should complete the Equal Opportunities Questionnaire with their tender submission.

**Terms and Conditions**

Please see accompanying terms and conditions and confirm acceptance in your submission.

**Annex One: Instructions to bidders**

1. **Tender Submissions**
   1. All pages of the bidder’s tender response should be sequentially numbered (including any annexes and supporting documents) and submitted in Microsoft Word format.
   2. Bidders are advised to submit tenders by email to [tenders@londoncouncils.gov.uk](mailto:tenders@londoncouncils.gov.uk?subject=C0118a%20LC%20Homelessness%20Procurement%20consultancy%20[insert%20your%20organisation%20name%20here]) quoting reference **C0118a**.
   3. The tender must not arrive later than the date and time stipulated. Tenders received after that time may not be considered unless the bidder can prove that the tender was dispatched in sufficient time to meet the deadline.
   4. By submitting a tender, the bidder agrees to keep that tender open for acceptance by London Councils for 90 days following the closing date.
   5. London Councils does not accept suppliers’ Terms and Conditions.
2. **Amendments to Tender Documents**
   1. Prior to the deadline, London Councils may modify the tender documents by amendments in writing. London Councils may extend the deadline for tenders to allow for significant amendments to be fully assessed and taken into account.
   2. The bidder may modify the tender prior to the deadline for receipt by giving notice in writing or by email.
   3. No tender may be modified after the deadline for receipt.
   4. The contractor may not transfer, assign or sublet the contract, or any part thereof, without the prior written consent of London Councils. If such consent is given the contractor will remain liable for the performance of the contract in its entirely as if such assignment or sublet had not taken place.
3. **Tender Charges**
   1. Charges must be in pounds sterling and be inclusive of all costs but can be exclusive of VAT.
   2. Charges shall be fixed for the duration of the Contract and will not be subject to any variation unless detailed in the Contract document.
   3. London Councils shall not be liable for any costs incurred in the production of the tender submission.
4. **Tender Evaluations**
   1. London Councils intends to commission the most economically advantageous tender and reserves the right to accept or reject all or any part of any tender.
   2. London Councils does not bind itself to accept the lowest charged tender.
   3. London Councils reserves the right to change the timing or any other aspect of the procurement process or to cancel the procurement process at any stage without prior notice.
5. **Intellectual property rights**
   1. All information provided by London Councils shall be treated by the Contractor as confidential except where prior written consent has been given by London Councils that such information may be disclosed. The dissemination of information within your organisation should be on a need-to-know basis.
   2. All intellectual property rights arising from the work will reside with London Councils.

**Annex Two: Example of cost structure**

**Example of cost table:** Below is an example of a clear cost structure. Other cost breakdowns will be accepted; however a clear structure that will allow London Councils to easily assess value for money – including cost per stage and/or days/hours per person – should be used.

1. Click on the email link to create an email with the subject heading in the format required by us. The same applies to other email links in this document. [↑](#footnote-ref-1)