

DELEGATED DECISIONS OF THE DEPUTY LEADER OF THE COUNCIL - 26 SEPTEMBER 2016

PROVISION OF GYPSY AND TRAVELLER SERVICES TO BRENT HOUSING PARTNERSHIP

Report by Chief Fire Officer

Introduction

1. Oxfordshire County Council owns and maintains 6 Gypsy and Traveller sites within Oxfordshire. These sites vary in size from 5 to 24 plots. Each plot consists of a concrete hard-standing area and a utility block containing a kitchen, toilet and amenity area.
2. The Oxfordshire County Council owned sites are maintained by the County Council's Gypsy and Traveller Service. Site management typically involves-
 - (a) Ensuring the sites and the plots on the sites are maintained with repairs being commissioned as necessary to keep all facilities operational and the hard-standing, fencing, etc. in good condition.
 - (b) Ensuring that the sites remain safe for residents and visitors.
 - (c) Collection of rent from residents.
 - (d) Collection of payment for utilities.
 - (e) Ensuring plots remain occupied and managing a fair allocation policy to ensure vacant plots are allocated on the basis of need.
 - (f) Ensuring all residents agree to, and abide by, pitch licence agreements.
 - (g) Working to facilitate good relationships between the Gypsy and Traveller and settled communities.
 - (h) Acting to prevent misuse of site facilities and unauthorised residency.
3. The County Council's Gypsy and Traveller Service also manage 5 sites owned by Buckinghamshire County Council under a contract for the provision of site management services with that Council. This contract commenced in June 2008, was renewed in 2009, 2014 and 2016 and expires in 2018.
4. In 2010 the service also entered into a contract for the provision of traveller site services for Brent Housing Partnership. Brent Housing Partnership operates a single traveller site consisting of 31 plots.
5. Since 2013 the service has also been supporting Ealing Council to manage a traveller site in its area. This support is being provided on an hourly rate basis.
6. The Council's Gypsy and Traveller Service has a strong reputation as a result of its track record in providing effective site management services both within and outside of Oxfordshire. Positive feedback has been received from

Buckinghamshire County Council, Ealing Council and Brent Housing Partnership on the services provided.

7. Brent Housing Partnership is now retendering the contract for the provision of the site management services they require for their Traveller site.

Exempt Information

8. It is **RECOMMENDED** that the public be excluded before consideration of the Annex since it is likely that if they were present during consideration of that item there would be disclosure of exempt information as defined in part I of Schedule 12A to the Local Government Act 1972 (as amended) and specified below in relation to this item:

3. information relating to the financial or business affairs of any particular person (including the authority holding that information) and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information in that where a tender or bidding process is in progress disclosure would distort the proper process of open competition and would prejudice the position of the authority in the process of the transaction and the Council's standing generally in relation to such transactions in future, to the detriment of the Council's ability properly to discharge its fiduciary and other duties as a public authority.

Lynton Close Background

9. Brent Housing Partnership Ltd is an Arm's Length Management Organisation, managing homes on behalf of Brent Council. It is responsible to the Council for the management of the Travellers site on Lynton Close, Neasden, NW10.
10. The site was opened in February 1997 and consists of 31 pitches each of which is walled off and has a hard-standing area for a caravan and its own utility block. The utility blocks have a kitchen, bathroom and a separate toilet.

Bashley Road Background

11. The Bashley Road Travellers' site was developed in 1985 and is owned by Ealing Council. Until recently this site has been managed by Ealing Council. For the last 2 years Oxfordshire County Council Gypsy and Traveller Service has been providing site management services to Ealing Council to assist them in managing this site.
12. The Bashley Road site houses Travellers of Irish heritage and comprises of 24 pitches. The Bashley Road site is less than 3 miles from the site currently managed by Oxfordshire County Council on behalf of Brent Housing Partnership.

Service Specification

13. Under the proposed contract specification Oxfordshire County Council would assume responsibility for the management of the Brent Housing Partnership Lynton Close site. Brent Housing Partnership require site management services which include-
- (a) Regular site attendance, inspection and resident liaison.
 - (b) Monitoring and maintaining health and safety on the site including arranging for rectification work where required.
 - (c) Maintaining site management records.
 - (d) Licence fee collection including advising residents, facilitating support and liaising with other BHP departments to resolve problems.
 - (e) Supporting BHP on licence fee arrears collection.
 - (f) Licence management through liaison with new and existing residents, identifying and acting on licence breaches and working with partner organisations.
 - (g) Providing a responsive repair and maintenance service to the utility blocks and communal areas, including roads.
 - (h) Void management to ensure vacant pitches are appropriately and promptly occupied.
 - (i) Site management to ensure the site remains clean and tidy, other organisations can provide services to or on the site, etc.
 - (j) Managing site improvements where funding is available.
14. Brent Housing Partnership will remain responsible for arranging site improvements or developments and for any major works required at the sites.
15. Ealing Council is currently considering their future requirements for site management services. We continue to provide site management services to Ealing Council on an hourly rate basis. Should we not continue to provide site management services for Brent Housing Partnership it would no longer be viable to provide similar services in Ealing and we would cease provision of this service. It is understood that Ealing Council will wish to discuss with us the possibility of us continuing to provide site management services to them if we enter into a further contract with Brent Housing Partnership.

Assessment of the Feasibility of Meeting Brent Housing Partnership's Contractual Requirements.

16. The Gypsy and Traveller Service has been providing site management services to Brent Housing Partnership for over 6 years under an agreement with similar terms to that now being tendered.
17. The new contract requires services which are substantially similar to those already being provided in Brent and Ealing and which the Service provides in Oxfordshire and Buckinghamshire. The Service already has a good track record in managing the Lynton Close site for Brent Housing Partnership. Continuing to manage this site under contract should not present any challenges that are unfamiliar to the Service.

18. Therefore, the Service should be able to meet the contract requirements through a continuation of its existing services. This will include continuing to employ officers who are primarily based in Brent and who attend the site on a regular basis throughout the week. These officers provide for day-to-day liaison with Brent Housing Partnership and other relevant partner organisations. They also meet the requirements for monitoring and managing the site's amenities and facilitating or arranging repairs and rectification work. They build a relationship with residents to assist in resolving routine problems and to understand their support needs and to contribute to an inclusive and positive living environment. The officers are trained in health and safety management and follow established and tested procedures for all aspects of site management.

19. The proposed contract is of 5 year duration with an option to extend by a further 5 years at Brent Housing Partnership's discretion. In pre-contract negotiations it has been proposed that a break clause is inserted into the contract. It is recommended that any approval to enter into the contract with Brent Housing Partnership is conditional on a break clause being included which is exercisable by Oxfordshire County Council

20. The Service has prior successful experience in meeting all of the service specification requirements (as expressed in discussions to date) either within Oxfordshire or under the existing external contracts. Therefore, there are no doubts about the Service's capability to provide the service expected. However, the proposed contract introduces financial penalties for performance against indicators which are partially outside the service provider's control (i.e. performance indicators the achievement of which would depend on Brent Housing Partnership taking legal action to remedy rent defaults and arrears). It is recommended that any approval to enter into the contract with Brent Housing Partnership is conditional on such financial penalties being removed. It is anticipated that the contract will still include provision for financial penalties to be imposed on the service provider for matters which are solely the responsibility of the service provider, for example the provision of repairs within the timescales specified in the contract.

Legal Implications

21. Entering into a contract for the provision of services to other parties will introduce further legal liabilities to the Council. Our responsibilities will be set out in the supporting contract. Under the terms of the tender process all bids have to be submitted on the terms of the published contract and specification. Therefore, no negotiation or amendment of the contract and specification will be possible after the bid has been submitted. The deadline for submission of bids is 28th September 2016 and therefore contract negotiations will need to be concluded by this date.

22. Legal advice on the proposed contract has been obtained. As a result clarification has been sought from Brent Housing Partnership on a number of points. The most significant outstanding point for clarification relates to the

extent of the repairs and maintenance service required and how work may be classified as “repairs or maintenance” and within the scope of the contract as opposed to “refurbishment” or “improvement” and outside the scope of the service provision contract.

23. The Council will be liable for losses arising through our failure to meet the contractual requirements in relation to management of the site. This might include, for example, any claim for injury arising as a result of the site not being maintained in a safe condition. This is the same liability that we have in relation to the Oxfordshire County Council owned sites and the sites we currently manage under contract on behalf of others. This risk is mitigated through the service’s management and risk assessment procedures, requiring annual fire safety checks, weekly electrical inspections and weekly general health and safety inspections as well as frequent informal site assessments completed by the site management team. The site management team will ensure that any matters requiring attention by Brent Housing Partnership or Ealing Council are promptly brought to their attention.
24. Rule 107 of the Council's Financial Procedure Rules (Part 8.2 of the Constitution) states:

“Cabinet approval must be obtained before any negotiations are concluded about working for third parties.”

There is a standing delegation to each Member of the Cabinet in Part 4.4 of the Constitution (Delegated Decisions by Individual Cabinet Members) to take decisions within his/her portfolio except in certain cases. The proposed contract does not fall within any of the exceptions listed at (1)(a) – (i).

Financial and Staff Implications

25. No additional staff would need to be employed should the Gypsy and Traveller Service be offered the contract for the provision of these services. Existing Gypsy and Traveller Service staff will continue to work with Brent Housing Partnership.
26. Should the Council be successful in any bid to provide services to Brent Housing Partnership then we will enter into further negotiations with Ealing Council to consider the possibility of extending our services to that Council. No provision for the outcome of any such negotiations has been made in the proposed bid to Brent Housing Partnership. However, the availability of competent staff close to Ealing would mean that we would be ideally placed to provide services to that Council. Therefore, the provision of continued services to Brent Housing Partnership could lead to further service provision and cost reduction opportunities for the Council.
27. Full details of the costings of the proposed bid are included in annex 1. The bid price is set at a level which ensures that all costs from the provision of our services are met. This will include the costs of all staff salaries for time spent

providing the service, travel costs and expenses and management overheads. Within the contract price an allowance has been made for site repairs and maintenance on the Lynton Close site. The amount allocated in the budget for site repairs and maintenance amount is considered to be sufficient for a site of this size and age. Liability for large infrastructure work or refurbishment remains the responsibility of Brent Housing Partnership.

28. The contract price would provide the Council with an initial annual surplus of £0.051m. This would be available as a contingency and is expected to be sufficient to cover any unexpected costs arising from this contractual arrangement.
29. Since we have staff already wholly employed supporting Brent Housing Partnership there are staffing and financial implications should we not be successful in bidding for this new contract. The staff concerned may transfer their employment to the new service provider under the Transfer of Undertakings (Protection of Employment) Regulations 2006. Should we be successful in bidding for the new contract this employment liability will remain with Oxfordshire County Council until the cessation of the contract.
30. The proposed contract includes provision to increase or reduce the contract fee annually to follow increases or reductions in the Consumer Prices Index (CPI). This does present a small financial risk to the Council in that a reduction in CPI would reduce our income from the contract. However, there is sufficient contingency built into the propose bid price to ensure that this does not result in a budget deficit.

Risk Assessment

31. Entering into a service provision contract of this type does create some risk for the County. The service provision contract is similar to those we already have in place with Buckinghamshire County Council and Brent Housing Partnership. Therefore, there are no significant concerns about our ability to meet the contractual responsibilities. Clearly, we will be requiring the staff within the Gypsy and Traveller Service to cover a larger number of sites over a larger area but the Service Manager is confident that he has capacity within his team to meet the additional service responsibilities.
32. The risks to Oxfordshire County Council are limited. Brent Housing Partnership remain responsible for major improvements or infrastructure works to the site. They also remain ultimately responsible for the action required to collect rent arrears or payments for utilities so any arrears that develop will not have any financial implications for Oxfordshire County Council.
33. The contract requires the service provider to ensure that the site remains safe and well maintained for residents. The contract price will be agreed taking account of previous experience of maintaining similar plots on other sites to

provide confidence in the cost estimates for meeting this contractual responsibility.

Corporate Policies and Priorities

30. The Gypsy and Traveller Service has a strong track record of delivering services on behalf of other authorities. This approach allows the County to achieve economies of scale and off-set some of the costs of the Gypsy and Traveller Service and the management of County Council owned sites. Entering into the new service provision contract will enable the authority to continue to provide Gypsy and Traveller services in Oxfordshire at a low cost and with a higher degree of resilience than would be the case if we provided services in Oxfordshire alone. This supports the Council's strategic objective of delivering efficient public services and is consistent with the Corporate business strategy aim to explore ways to increase the benefit from joint service delivery and partnering arrangements.

RECOMMENDATION

- 31 **The Deputy Leader of the Council is RECOMMENDED to-**
- (a) Approve the continued provision of Traveller site management services to Brent Housing Partnership on the condition that the proposed contract is amended to remove financial penalties for non-compliance with performance indicators relating to rent arrears and subject to a break clause being inserted, and**
 - (b) Authorise the Head of Community Protection Services to conclude negotiations with Brent Housing Partnership relating to this contract, and**
 - (c) Authorise the Head of Community Protection Services to conclude negotiations with Ealing Council relating to a contract for the provision of Traveller Site Management Services to that Council,**
 - (d) Authorise the Head of Community Protection Services to enter into a legal agreement with Brent Housing Partnership and Ealing Council.**

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Background papers: Richard Webb
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