
Subject: Procurement of Homelessness Services for Period of April 1, 2020-March 31, 2023

Report to: Public Health and Social Services Committee

Report date: Tuesday, July 9, 2019

Recommendations

1. That the Negotiated Request for Proposal (NRFP) process **BE INITIATED** in Q3 2019 and that Staff **BE AUTHORIZED** to enter into negotiations with the selected proponents based on the multiple NRFP processes, and award in Q1 2020 based on confirmation of funding.
2. That the evaluation scoring matrix (Appendix A), to be used to score NRFP submissions from potential proponents, **BE APPROVED**.

Key Facts

- The purpose of this report is to seek Regional Council's approval of a number of recommendations pertaining to the formal procurement for the homelessness service system for the period of 2020 to 2023.
- Homelessness Services will be issuing multiple Negotiated Request for Proposals with the goal to seek preferred proponents who will be invited to enter into direct contract negotiations with Homelessness Services for service delivery and to participate in the transformation to an improved integrated homelessness services system.
- NRFPs will be executed in the following priority areas: prevention, outreach, shelter, transitional housing, Housing First and Home for Good supportive housing.
- Throughout 2019 information was gathered through ongoing planning activities and community engagement to inform the NRFP framework and procurement process, evaluation-scoring matrix, and service system scopes of work.

Financial Considerations

1. Homelessness Services is primarily funded by the Ministry of Municipal Affairs and Housing (MMAH) \$8,286,923 (which includes Community Homelessness Prevention Initiative (CHPI) and Home for Good funding), the federal Reaching Home funding (\$958,596) as well as Regional levy (\$1,703,561 -15.6%) for the year 2019.

2. a) Funding of an estimated \$7.1 million per annum from provincial, federal and levy contributions will be utilized for contract awards, subject to confirmation of funding amounts.

b) Remaining monies are used in the area of prevention to support the housing stability plan (\$2.0 M), Niagara Emergency Energy Fund (\$0.5 M), program direct delivery (\$0.8 M) and program administration including inter-company charges (\$0.6 M).
3. Termination clauses will exist in all agreements should the need to terminate early, based on future funding announcements, be required.
4. Homelessness Services is anticipating a 2020 budget pressure of an estimated \$800,000 to maintain existing service levels as provided during 2019.

Analysis

Community Services operationalizes the Region's provincially mandated responsibilities as the Consolidated Municipal Service Manager (CMSM) for the homelessness system in Niagara. Its key responsibility is service system planning and administration for the homelessness system, and it operates under rules established by the MMAH. The Region also receives federal funding under Reaching Home (previously known as *Homelessness Partnering Strategy*) and is identified as the local Community Entity for this funding.

Homelessness services are currently delivered by 22 community providers through purchase of service contracts with Niagara Region and a partnership with the Social Assistance and Employment Opportunities (SAEO) division. The types of homelessness services align with the Council approved priorities of outreach, supported transitional housing, Housing First, emergency shelters and homelessness prevention, and with approaches recommended in the province's *Long Term Affordable Housing Strategy*.

Niagara Region contracts with service providers will end on March 31, 2020.

Consistent with past practice, Niagara Region intends to contract for the three-year period from April 1, 2020 - March 31, 2023 and will be issuing multiple negotiated request for proposals in accordance with the Procurement By-Law.

Homelessness Services undertook a full system review in 2019, which included a comprehensive consultation process with service providers and resulted in ten recommendations as outlined in the January 2019 *Homelessness Systems Service Review* report by Whitesell & Company. These key recommendations are intended to transform the system in order to better serve clients with targeted outcomes measured

through new key performance indicators. The NRFP process will support the transition and transformation of the existing homelessness service system.

The NRFP will be standard among six service areas (shelter, outreach, supported transitional housing, prevention, Housing First and Home for Good). These priorities will address Niagara Region's contractual obligations for federal and provincial funding and will also help advance action details in *"A Home for All: Niagara's 10 year community Action Plan to help people find and keep housing"*. There will be separate schedules for each service area to allow for customized submissions.

Procurement approach and evaluation scoring matrix

To accommodate providers submitting for more than one funding priority, the NRFPs will be staggered over a four-week period from October 1 to October 29, 2019, with deadlines six weeks after issuance.

The NRFP will identify preferred proponents who will enter into contract negotiations to operate homelessness services. Proponents will also be expected to participate in the transformation to a new integrated homeless system.

NFRP Review Panels will be established, with members' selected based on criteria, such as:

- Knowledge of the homelessness sector,
- Having no conflict of interest, real or perceived,
- Professional qualifications,
- Years of experience within the human services/homelessness services industry, and
- Local area knowledge.

Once NRFP submissions are received, members will review and score written submissions.

Proponents will be required to complete a written submission for each service area of interest. After the NRFP closing date, Niagara Region's Strategic Sourcing division will review all submissions to determine compliance. All compliant written submissions will be distributed to Review Panel members for review and scoring.

Written submissions will be scored, out of a possible 100 points based on:

- Organizational Capacity and Fit (20 points)
- Quality Service Delivery (40 points)
- Collaboration and Partnerships (15 points)
- Innovation and Continuous Improvement (15 points)
- Budget (10 points).

See Appendix A for further details on the above.

The preferred proponents for each service area will be based on the highest score, and will be invited to enter into contract negotiations with Niagara Region to provide that particular service, and participate in the transformation to a new, more integrated system. Niagara Region will continue to enter into contract negotiations with the proponents having the next highest score for the specific service area until all funding is allocated. More than one proponent may be awarded in each category.

Pending Committee and Council approval of this report, the following is the proposed multiple NRFP schedule:

Steps	Timelines
Council Approval	July 2019
NRFP Information Session (for interested proponents)	September 2019
NRFP Issuance (staggered)	Oct-Nov 2019
NRFP Close (staggered)	Nov-Dec 2019
Evaluation of NRFP	Dec 2019 – Jan 2020
Negotiations	Until complete (anticipated by Feb 2020)
Announcement of Preferred Proponents	Feb 2020

Subject to provincial, federal and levy funding and following negotiations, Homelessness Services will enter into purchase of service agreements with preferred proponents to ensure continuity of services across Niagara.

Homelessness Services will monitor to ensure any transfers of services are provided in accordance with the service agreement. Should the service provider fail to perform these services, Niagara Region may terminate the service agreement in accordance with the terms and conditions of the agreement.

Reporting on the successful proponents will be provided to the Public Health and Social Services Committee and Regional Council based on the requirements in the purchasing by-law for delegating spending authority to staff. (By-Law – 02-2016).

Alternatives Reviewed

Not applicable.

Relationship to Council Strategic Priorities

Not applicable.

Other Pertinent Reports

- COM 10-2019 Homelessness Services System Review
- COM 23-2019 Niagara Region Application for Built for Zero Canada
- COM 26-2019 Homelessness Services Report 2018

Prepared by:

Jeffrey Sinclair, BBA
Homelessness Action Plan Advisor
Community Services

Recommended by:

Adrienne Jugley, MSW, RSW, CHE
Commissioner
Community Services

Submitted by:

Ron Tripp, P.Eng.
Acting Chief Administrative Officer

This report was prepared with input from Chandra Hardeen, Manager, Homelessness Services; Kayla DePauw, Program Finance Specialist; Jeff Mulligan, Manager, Strategic Sourcing; and reviewed by Cathy Cousins, Director, Homelessness and Community Engagement.

Appendices

Appendix A – Proposed Evaluation Scoring Matrix

Item	Evaluation Components	Points
Demonstrates organizational capacity and fit	<p>1) Demonstrates that service delivery will support Homelessness System of Niagara and align with service system review and HHAP.</p> <p>2) Demonstrates experience providing key activities that comprise the service, including the minimum service activities identified in Schedule A. Clearly identifies:</p> <ul style="list-style-type: none"> • specialized approaches, capabilities, and/or assets • access to in-kind, complimentary or other relevant services <p>3) Demonstrates a clear understanding of how the service fits into the organizational structure</p> <p>4) Demonstrates history of fiscal responsibility and management capability</p> <p>5) Demonstrates development and retention of a team of qualified staff through:</p> <ul style="list-style-type: none"> • Current staffing expertise and administrative supports • Specific recruitment and retention strategies, on-boarding practices • Professional development approach to keep informed on the latest research on Homelessness services and other relevant topics. • Strategies for retention of staff <p>6) Past monitors to be considered with demonstrated capacity</p>	20
Demonstrates quality service delivery	<p>1) Clearly identifies target population(s) and geographic area(s) for service and demonstrates expertise in serving target population(s) and geographic area(s)</p> <p>2) Clearly identifies how the key activities of service delivery will achieve the expected service outcomes for clients and support KPI's for that service area</p>	40
Demonstrates collaboration and partnership	<p>1) Demonstrates how the project supports one or more goals of Niagara's 10-year housing and homelessness action plan, <i>A Home for All</i></p> <p>2) Identifies an intentional approach for the organization to engage broadly with community partners to support achievement of service outcomes</p> <p>3) Clearly identifies existing and new key collaborations/partnerships, their partnership role and contribution, and how the contribution supports expected service outcomes identified in Schedule A.</p> <p>4) Demonstrates a recognition of the value of Lived Experience through structured activities that:</p> <ul style="list-style-type: none"> • Engage clients beyond their role as "service user" • Include persons with lived experience and engaging them in in decision-making • Solicit and respond to client feedback 	15

Demonstrates Innovation and continuous improvement	<p>1) Demonstrates adaption and use of best practices for service delivery</p> <p>2) Demonstrates an understanding of how the service fits within the Homelessness System 2.0 model and demonstrates willingness to support the successful transformation of Niagara homelessness services system to Homelessness System 2.0.</p> <p>3) Demonstrates an understanding of key trends that impact achievement of service outcomes.</p> <ul style="list-style-type: none"> • Identifies one or more key barriers to success, and for each barrier identifies one or more organizational strategies to mitigate their impact • Identifies one or more key opportunities to support success, and for each opportunity identifies one or more organizational strategies to leverage them 	15
Project costs	<p>1) Proposed budget is aligned with program objectives, is reasonable and clearly articulates both NRFP funded costs and contributions from other sources. (There is no requirement for other contributions; however, applications which include other contributions will be evaluated more favourably).</p> <p>2) No more than 10% of the budget is spent on administration, including management oversight of the service and providing program space, etc.</p>	10