

Cabinet

Tuesday 20 January 2026
4.00 PM

Engine Shed - Sand Martin House
Contact – matt.makin@peterborough.gov.uk

Supplementary Agenda

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Report to the Executive of Peterborough City Council under Section 5A(3)(a) of the local Government and Housing Act 1989 and Section 114A (2)(a) Local Government Finance Act 1988

Date of Issue: 16 January 2026

Report authors:

Graham Kitchen, Director of Legal and Governance (Acting) and Monitoring Officer ('the Monitoring Officer')

Christine Marshall, Executive Director of Corporate Services and Section 151 Officer ('the Section 151 Officer')

Executive Summary

Members of the executive of Peterborough City Council ('the Council') are asked to consider this joint report from the Monitoring Officer and Section 151 Officer (together the 'Statutory Officers') made in accordance with section 5A(3)(a) of the Local Government and Housing Act 1989 and section 114A(2)(a) of the Local Government Finance Act 1988. This report has been prepared following statutory consultation between the two Statutory Officers who are the authors of the report and with the Chief Executive (Head of Paid Service). The Statutory Officers are concerned that a number of payments made by the Council to third-party providers in respect of spot purchased emergency accommodation for homeless households (the 'Payments') were unlawful.

1 Purpose

- 1.1 This joint report is being issued as the Statutory Officers consider the Payments to have been unlawful on the basis that there was a failure by Council Officers to procure the emergency accommodation provision (the 'Services') lawfully, put written contracts in place and observe internal governance requirements.
- 1.2 The Payments were made during the financial years 2015/2016 to 2025/2026 (up to 31 August 2025) inclusive and total circa £17,406,954 plus Value Added Tax ('VAT').
- 1.3 Given the seriousness of the apparent failures and the values involved, we consider that the tests for issuing reports under Section 5A of the Local Government and Housing Act 1989 and Section 114A Local Government Finance Act 1988 (the 'Acts') have been met. External legal advice commissioned by the Statutory Officers, an excerpt of which is set out at Appendix 1 of this report, confirms this view. The Statutory Officers agree that this reporting would be best served as a joint statutory report.
- 1.4 As decisions to enter into arrangements with third parties for the purpose of providing emergency accommodation for homeless families is an executive function, legislation requires that this report be considered by the Executive but must also be provided to all Members and the external auditor in accordance with the requirements set out in the Acts.

2 Background

- 2.1 This report sets out the facts as understood by the Statutory Officers following a thorough examination of the available information. In June 2025 the Council received a Freedom of Information ('FOI') request under s.1(1) Freedom of Information Act 2000 in relation to the Council's use of and spend with a third-party company in relation to the Services. A copy of the FOI request and the Council's response can be found at Appendix 2 of this report.
- 2.2 In or around July 2025 the proposed FOI response was sent to the then Head of Legal (and now the Council's Monitoring Officer, Mr Kitchen) who was concerned about the apparent lack of written contracts, governance and procurement exercise that underpinned the Payments to providers of emergency accommodation. As a result, a broader review of the Council's historic spending, contracts and governance arrangements in relation to the Services was ordered (the 'Review'). The Review was undertaken by Officers in Finance, Procurement, Legal and the Place and Economy Directorate.

3 Key Issues

- 3.1 The Review identified that between financial year 2015/16 and 31 August 2025 the Council has engaged multiple different providers ('the Providers') in relation to the Services. Officers can find no evidence of governance authorising the Payments nor compliantly procured contracts with the Providers throughout this period.
- 3.2 The Statutory Officers understand that in 2013 the Council undertook extensive market engagement and ran a procurement exercise in accordance with the Public Contracts Regulations 2006 in relation to emergency accommodation for homeless households, however, the procurement opportunity did not attract any bids. As such, the procurement was never concluded and no contracts for this Service were awarded.
- 3.3 To-date the review of historic Council records has identified a total of £17,406,954 plus VAT in payments made to the Providers between financial year 2015/2016 to 31 August 2025 (the prevailing rates of VAT have changed over this period). From and including the 2022/23 financial year up to 31 August 2025, payments to the Providers totalled £7,882,441 plus VAT. The highest cumulative sum paid to the Providers in a single financial year was £2,533,763 plus VAT which was during the 2022/2023 financial year. A schedule of the Payments to the Providers is set out at Appendix 3 to this report.
- 3.4 Records show that a total of £7,735,207 plus VAT in Payments were paid to a single provider between financial year 2015/2016 and 31 August 2025; £3,955,716 plus VAT of that sum was paid to this single provider during the 2022/2023 to 2024/2025 financial years (inclusive).
- 3.5 As a result of the Review, the Statutory Officers required Council Officers to put emergency governance in place for ongoing spend with those Providers still being utilised by the Council in relation to the Services. This was done via the use of a series of Exemption Reports ('ER') for the period between 1 September 2025 and 31 May 2026 and are set out at Appendix 4 of this report. Within each ER is a commitment by Council Officers to undertake a fully compliant procurement exercise in accordance with the Procurement Act 2023 resulting in a new provision of the Services to be in place for commencement on 1 June 2026.
- 3.6 Statutory Officers also required Officers to put written contracts in place with providers still being utilised by the Council in relation to the Services. Contracts have been issued to four providers for the provision of emergency temporary accommodation for this interim period whilst the procurement is underway. It is anticipated the procurement shall be published on Find a Tender no later than 31 January 2026.

4 Legality

- 4.1 Under section 188(1) of the Housing Act 1996 ('HA 1996'), the Council has a statutory duty to provide emergency accommodation to homeless individuals in certain circumstances. Section 206(2) of the HA 1996 expressly permits accommodation to be secured from third parties. However, whilst the HA 1996 imposes a clear duty on the Council as to outcome (that accommodation is available) it does not disapply other statutory controls governing how local authorities incur expenditure or enter into arrangements. In particular, the HA 1996 does not remove the requirement to comply with procurement legislation, does not disapply the Council's Constitution, Financial Regulations or Contract Rules and does not authorise expenditure to be incurred without lawful decision-making authority.

A. Lack of Internal Governance and Constitutional Compliance

- 4.2 Executive functions must be exercised in accordance with statute and the Council's governance arrangements. Section 9D(1) of the Local Government Act 2000 provides that "*Executive functions are functions which (a) are specified in regulations made by the Secretary of State, or (b) are not specified in such regulations as being functions which are not to be the responsibility of the executive.*" Section 9P(2) then provides that "*A function of a local authority which is the responsibility of an executive must be discharged in accordance with any provision made by or under this Act*". In the present case, arrangements with at least six of the Providers had a cumulative value exceeding £500,000. The decision to enter into these arrangements were thus key decisions under the Council's Constitution and required either Cabinet Member approval or a Cabinet Decision. They should also have been included on the Forward Plan. There is no evidence these arrangements were included on the Forward Plan or that Cabinet Member approval/Cabinet approval was obtained or even sought.
- 4.3 The Council's Constitution provides that contracts up to a value of £500,000 can be entered into by a Director. However, para. 5(c), Part 4, Section 11 – Financial Regulations of the Council's Constitution stipulates that expenditure may only take place where authorisation has been given and procurement and Contract Rules are followed. Para. 5.4.18 of the Financial Regulations requires that '*all orders for supplies, works and services... are placed only by appropriate persons and are correctly recorded... and services are made in accordance with the Council's Contract Rules*'. Para. 5.4.23 of the Financial Regulations also requires that '*appropriate evidence of the procurement transaction... are retained and stored... in accordance with Contract Rules*'. As such, a recorded executive decision, whether via delegated powers or Cabinet Member or Cabinet decision, was required in respect of Payments to all Providers. There is no evidence of such decisions having been taken via any legitimate means.
- 4.4 Part A of the Contract Rules sets out that where arrangements with a value of less than £25,000 are entered into there must be a written record of the quotation which includes the specification of services, payment provisions in line with Financial Regulations, the Council's termination rights and any key terms. The decision to award the contract and any written terms must also be agreed in writing by a director unless a delegated authority exists. Arrangements with at least thirteen of the Providers had a cumulative

value of less than £25,000. However, there is no evidence that the requirements of Part A of the Contract Rules were complied with in respect of these arrangements.

- 4.5 Part D of the Contract Rules sets out that where services with a value of between £50,000 and the relevant procurement threshold are required, a formal tendering process must be completed, whereby a tender is published and four bids sought, and that a formal contract is approved by Legal Services. All contracts over £100,000 are to be sealed under the Council's seal. Arrangements with at least nine of the Providers have a cumulative value between £50,000 and the applicable procurement threshold (as of 1 January 2026 is £663,540 (includes VAT)). However, there is no evidence that the requirements of Part D of the Contract Rules were complied with in respect of these arrangements.
- 4.6 Part E of the Contract Rules sets out that where services with a value exceeding the relevant procurement threshold are required, that a fully compliant procurement process is completed in accordance with the relevant procurement legislation at the time (Public Contracts Regulations 2006 (revoked), Public Contracts Regulations 2015 (revoked), the Procurement Act 2023 (which came into force on 24 February 2025)) (threshold as of 1 January 2026 is £663,540 (inclusive of VAT)). All contracts exceeding this threshold must be approved by Legal Services and be sealed under the Council's seal. Arrangements with at least six of the Providers have a cumulative value exceeding the relevant procurement threshold. However, there is no evidence that the requirements of Part E of the Contract Rules were complied with in respect of these arrangements.

B. Procurement Law Breaches

- 4.7 The Public Contracts Regulations 2006 (revoked), the Public Contracts Regulations 2015 (revoked) and The Procurement Act 2023 (which came into force on 24 February 2025 replacing the Public Contracts Regulations 2015) (together referred to as the 'Procurement Legislation') are the procurement rules which must be applied throughout the respective periods during which the Payments were made.
- 4.8 As the failure to procure the Services compliantly spans a period exceeding 13 years, for the purposes of the three different sets of procurement rules spanning this period, the legal requirements within the Procurement Legislation are broadly outlined within this section.
- 4.9 Procurement is the award, entry into and management of a public contract by a contracting authority, and for the purposes of the Procurement Legislation, the Council is a contracting authority, a body spending public money, which includes all local authorities. Procurement Legislation sets the framework for how a contracting authority purchases services, ensuring they adhere to principles of fairness, transparency, value for money and good financial management when spending public funds.
- 4.10A public contract in this context means a contract for pecuniary interest concluded in writing between a provider of a service and the Council, having as their object the provision of services and has an estimated value of not less than the procurement threshold amount for the type of contract. The Services referred to within this report are considered 'light touch' services and as of the date of this report the threshold for these

types of services is £663,540 (inclusive of VAT) (prior to the Procurement Act 2023 coming into force the relevant threshold was around £589,148 (inclusive of VAT)).

- 4.11 The Procurement Legislation establishes rules on the procedures for procurement by contracting authorities with respect to public contracts which have a value estimated to be not less than the relevant threshold, unless a lawful exemption is permissible. Therefore, the estimated value of arrangements with at least six providers each exceeded the relevant threshold and accordingly the Council may not enter into a public contract unless it is awarded in accordance with the procedures within the Procurement Legislation.
- 4.12 Council Officers have been unable to provide the Statutory Officers with evidence of any compliance with procedures established within the Procurement Legislation in relation to the Services provided to the Council by the Providers where estimated values exceed the relevant threshold. This constitutes a direct failure to comply with the Procurement Legislation.
- 4.13 Where the estimated value of a procurement is less than the relevant threshold (yet above a lower limit of £30,000 set for contracting authorities), the Public Contract Regulations 2015 (revoked) and Procurement Act 2023 set out process requirements for a contracting authority to comply with. The estimated value of arrangements with at least nine providers are considered below threshold (and above the lower limit of £30,000), however, there is no evidence that below-threshold process requirements have been complied with.

C. Absence of Contractual Framework

- 4.14 Where a Local Authority procures services, expenditure must be supported by a lawful contractual basis to define obligations, liability, price and termination. Whilst statute does not require contracts to be in a particular form, section 111(1) of the Local Government Act 1972 permits expenditure only where it facilitates or is incidental to lawful functions. Where payments are made to third parties, the existence of a contractual framework is the primary mechanism by which the authority evidences that expenditure is for a lawful purpose and incidental to the discharge of its statutory functions. Between financial year 2015/2016 and 31 August 2025, the Council made substantial payments to third-party providers for emergency accommodation without entering into any written contracts to govern the provision of these Services.
- 4.15 Local Authorities are required to regulate the making of contracts through standing orders. Indeed, section 135(1) of the Local Government Act 1972 provides that “A local authority shall make standing orders with respect of the making by them or on their behalf of contracts...” Paragraph 5, Part 4, Standing Orders Section 4 of the Council’s Constitution requires expenditure to be incurred in line with the Contract Regulations and Finance Regulations.
- 4.16 Para. 5.4.18 of Part 4, Section 11 – Financial Regulations requires that ‘All purchases (contracts) of supplies, works and services are made in accordance with the council’s Contract Rules.’
- 4.17 Part D Paras.46-48 and Part E Paras.15-16, Part 4, Section 10 – Contract Rules of the Council’s Constitution requires there to be a signed written contract in place between

the Council and a service provider before the service can commence where the value of the arrangement is in excess of £50,000. In the present matter, arrangements with at least fifteen of the Providers each had a cumulative value in excess of £50,000 and thus required written contracts.

- 4.18 Council Officers have been unable to provide the Statutory Officers with evidence of any written contracts in relation to the Services provided to the Council by the Providers where cumulative expenditure exceeded £50,000. This constitutes a direct failure to comply with the Council's Contract Rules made pursuant to section 135 of the Local Government Act 1972. The failure to enter into written contracts where they were expressly required meant that expenditure was incurred otherwise than in accordance with the Council's statutory and constitutional requirements.

5 Statutory Duties and Legal Implications

Section 5A of the Local Government and Housing Act 1989

- 5.1 Section 5A(3)(a) of the 1989 Act obliges a Monitoring Officer to prepare a report to the executive if he or she considers that 'any proposal, decision or omission by the authority, has given rise or is likely to give rise to a contravention of any enactment or rule of law.'
- 5.2 In the present case, the failure to properly procure the Providers appears to contravene an enactment as does the Council's failure to observe the Contract Rules; in addition the Payments by the Council appear to be a contravention of a rule of law, in that they have not been authorised by any member, body or officer with power to do so.

Section 114A Local Government Finance Act 1988

- 5.3 Under Section 114A(2)(a) of the Local Government Finance Act 1988 it is the duty of the Section 151 Officer to make a report to the authority 'if it appears to him that in the course of the discharge of functions of the authority, the executive or a person on behalf of the executive has made or is about to make a decision which involves or would involve the authority incurring expenditure which is unlawful.' There are other types of section 114 reports which have to be issued when the expenditure of the Council exceeds its resources, this is not that type of report.
- 5.4 In the present case, there does not appear to be any authority properly approved by the Executive or any officer of the Council under delegated power to make the Payments. In the absence of any proper delegation to approve the Payments they are considered unlawful.

Summary of Statutory Officer Position

- 5.5 Between financial year 2015/2016 and 31 August 2025, the Council incurred significant expenditure in respect of spot purchased emergency accommodation for homeless households in circumstances where no written contracts were in place with Providers, no compliant procurement exercise was undertaken, and no lawful decision-making authority was exercised in accordance with the Council's Constitution and Financial Regulations. The prolonged absence of written contracts, the failure to comply with the Financial Regulations and Contract Rules, and the repeated failure to secure appropriate governance approval collectively resulted in expenditure being incurred without lawful authority and in contravention of statutory and constitutional requirements. These

matters constitute contraventions of enactments and rules of law for the purposes of section 5 of the Local Government and Housing Act 1989 and involve unlawful expenditure within the meaning of section 114 of the Local Government Finance Act 1988.

Legal Implications

- 5.6 The relevant legislation is generally interpreted as not requiring a Monitoring Officer or a Section 151 Officer to report in every circumstance where the duty to report could be said to arise. However, in the present case, given the amounts involved, the lack of effective governance in terms of procurement, decision making or written contracts and the concern about whether processes are in place to ensure this does not happen again, the Statutory Officers consider it is appropriate to issue this joint report.
- 5.7 Both Statutory Officers were required to consult each other and the Head of Paid Service in the preparation of this report. This report must be sent to all members of the Council and a meeting held within 21 days of the issuing of the report to Members. The Section 151 Officer must also send a copy of the report to the external auditors.
- 5.8 In respect of the s.114A(2)(a) aspect of the report, the executive is required under section 115B(2) to 'consider the report at a meeting where it shall decide whether it agrees or disagrees with the views contained in the report and what action (if any) it proposes to take in consequence of it.'
- 5.9 In respect of the s.5A(3)(a) aspect of this report, the duty of the executive is to consider the report and to ensure, that no step is taken for giving effect to any proposal or decision to which such a report relates at any time while the implementation of the proposal or decision is suspended in consequence of the report, (subject to s.115B of the Local Government Finance Act 1988 which refers to any action decided upon in consequence of the s.114A(2) report as referred to above or otherwise).
- 5.10 Regard has been had to the LLG, SOLACE, CIPFA Code of Practice on Good Governance. This refers to the Statutory Officers working together to flag concerns as early as possible. The Monitoring Officer and Section 151 Officer, together with the Head of Paid Service, must, if they feel able to do so in the circumstances, always seek to resolve issues before they become reportable by exploring legitimate alternatives and avoid issuing a statutory report where permissible. In this case, the cumulative value of the Payments is significant, and Statutory Officers are concerned that a Member supported Council-wide review of procurement arrangements and processes is now needed to fully consider the position and to ensure that adequate safeguards are put into place going forward. Regard has been had to the CIPFA guidance for section 114/114A reports.

6. Statutory Officers' Recommendations

- 6.1 The Statutory Officers jointly recommend that the following actions are taken by the Council as a result of their findings in order to minimise the risk of future unlawful practices of this nature arising:
 - 6.1.1 Members note the detail of this report and carefully consider its contents.

- 6.1.2 That as stated in the report the emergency accommodation procurement and contract position is urgently addressed by officers to bring it within legal, constitutional and contractual requirements.
- 6.1.3 That an external provider is engaged to deliver additional training to Council Officers in relation to the Council's statutory duties under relevant procurement legislation and the Council's Contract Rules and that this training is mandatory.
- 6.1.4 That Senior Officers within the Council's services undertake a comprehensive review of all existing arrangements with third parties to ensure they have been lawfully procured, and appropriate internal governance requirements have been met.
- 6.1.5 That following that review all service directors confirm that their service procurements are compliant or are in the process of being rectified with clear timelines and allocation of responsibilities where found not to be compliant. Each service will prepare an individual report to the Audit and Governance committee in 2026/27 to confirm service compliance.
- 6.1.6 That following the council-wide review of procurement practices and associated training, if an officer's conduct is found to have caused the Council to act unlawfully, the Council shall carry out a thorough investigation of the circumstances, take the necessary appropriate action to address the issue, and implement whatever robust measures are required.

Appendices

Appendix 1 – Legal Advice (EXEMPT)

Appendix 2 – FOI and Response

Appendix 3 – Payment and Providers Schedule (Anonymised)

Appendix 4 – Exemption Reports (Redacted)

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By virtue of paragraph(s) 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Appendix 2

FOI request 202506005677

Issued 14 July 2025

Could you please confirm when Eastfield Guest House Limited was awarded this contract by Cabinet, I cannot find the details for this contract been awarded to this company.

In the year 2024 £1291119.50 was paid to this company,

If Cabinet have not rewarded this company a contract and it is acting as a third party providing a service to the Council for another company will payments to this company stop? Will it be brought to Cabinet?

Response:

Eastfield Guest House provides emergency nightly paid accommodation for households in urgent housing need. This service is used as a temporary emergency solution while alternative accommodation is identified and arranged. Payments have been made as a series of spot purchased arrangements according to the emergency need for accommodation, and this will continue for a period of time while the need is still present.

We have a B&B Reduction Plan in place and continue to make progress in lowering the number of households placed in bed and breakfast accommodation, as part of our current temporary accommodation strategic review. After analysis of the sum involved the council have resolved to put this opportunity to the market with immediate effect and a pipeline will be published with the necessary governance to allow the procurement process to proceed.

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Appendix 3: Payment Schedule

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 (to 31.08.25)	Grand Total
Supplier 1	183,176	344,413	717,896	1,054,760	1,039,695	42,082	172,324	1,141,650	1,307,825	1,506,241	225,147	7,735,207
Supplier 2	297,838	786,407	795,862	657,711	371,222	1,404		146,135	55,362			3,111,940
Supplier 3		231,681	445,960	591,925	525,415	232,515	59,718	33,213				2,120,426
Supplier 4	8,020	306,939	181,921	152	1,070	13,372	11,422	487,561	174,576	147,525	14,821	1,347,380
Supplier 5								222,465	293,374	234,488	98,726	849,053
Supplier 6								243,560	261,255	267,030		771,845
Supplier 7								14,630	83,280	279,596	45,197	422,703
Supplier 8						44,850	105,510	52,473				202,833
Supplier 9					124	3,185		57,288	60,453	50,727		171,777
Supplier 10			5,090	106,919	33,306							145,314
Supplier 11								40,093	77,881	23,642		141,616
Supplier 12							97,426	13,299				110,725
Supplier 13											86,109	86,109
Supplier 14						25,514	14,250	24,830				64,594
Supplier 15								37,206	15,775			52,981
Supplier 16					567			9,149		1,722		11,438
Supplier 17							166	1,584	612	4,489	85	6,936
Supplier 18	5,439				-							5,439
Supplier 19								5,133				5,133
Supplier 20	2,585											2,585
Supplier 21					2,326							2,326
Supplier 22								1,594	560			2,154
Supplier 23								1,340	555			1,896
Supplier 24							1,022			790		1,812
Supplier 25								561				561
Supplier 26				300								300
Supplier 27					122							122
Various small suppliers					915				30,836			31,751
Grand Total	497,057	1,669,440	2,146,729	2,411,765	1,974,761	362,922	461,837	2,533,763	2,362,343	2,516,250	470,085	17,406,954

(excluding VAT)

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Exemption Report

Exemption Report to Executive Director of Corporate Services and S151 Officer and Director of Governance (or delegated Officer) under Section 4 of the Contract Rules

INTRODUCTION

Report Title:	Interim Arrangements for Spot Purchase Emergency Accommodation for Homeless Households
Report Date:	11 th Aug 2025
Contract Ref: <i>Should be provided by your Procurement contact, if not relevant or new contract, please enter N/A</i>	
Report Ref:	E001362
Date submitted:	26/08/2025
CPV Code:	98341000
Is this a service contained within Schedule 3 of the Public Contracts Regulations 2015?	<i>This will be populated by the Stage One Approver</i> ☐ Yes ☐ No

CONTACT INFORMATION

Lead Officer:	██████████
Submitted by:	██████████
Legal Contact:	██████████
Procurement Contact:	██████████
Directorate:	Place & Economy
Department:	Housing Needs
Key Stakeholders: <i>List those who you would like copied in on approval distribution</i>	Legal, Procurement Finance

APPROVALS

Do not approve unless document is distributed from Procurementcontracts@peterborough.gov.uk

Stage One Approvals

██████████	29.08.25	Approved (caveated with requirement for procurement roadmap to be hyperlinked within report).
Signed (Legal Services)	Date	Commentary
██████████	27.08.25	Approved
Signed (Strategic Finance)	Date	Commentary
██████████	27.08.2025	Approved
Signed (Procurement)	Date	Commentary

Stage Two Approval

██████████	27/08/2025	Approved
Signed (Service Director)	Date	Commentary

Stage Three Approvals

██████████	15/09/2025
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Signed (Executive Director of
Corporate Services and S151
Officer)

Date

All report fields marked with a red * are mandatory, reports that do not have all mandatory fields completed will be rejected.
Please refer to the FAQ for guidance on completing the report.

CONTRACT DETAILS - (Requested Decision)

*Contract to be awarded to: <i>(name of supplier)</i>	
*Contract for: <i>(describe the service/supplies/works)</i>	Spot purchased emergency accommodation (nightly) to house homeless households.
*Contract Value (-VAT):	£235,037.60
*Contract Value (+VAT):	£293,797
*Estimated Contract Start Date (may be subject to change):	1 st September 2025
*Total Contract Length: <i>Include any extension periods included in the contract</i>	9 months (contract to expire on 31 May 2026) This is a strictly time limited arrangement until the competitively procured service contracts commences (estimated no later than 1 June 2026).
*Cost Centre that will be used for this contract:	PA3300

FINANCE

*Account Code: <i>Account code needs to be 6 or 11 digits - starting with A or C</i>	A44080
*Cost Centre: <i>6 digits code can be a combination of numbers and letters</i>	PA3300
*Analysis Code:	n/a
*Please specify the funding source: <i>I.e. revenue budget, capital programme, grant, reserves</i>	Core budget

AGGREGATION AND HISTORICAL CONTRACT INFORMATION

*Is this a service/supply contract which is regular in nature (commissioned more than once across the Council)?	☒ Yes ☐ No
*If yes, then please provide details of the value (including VAT and excluding VAT) of all contracts awarded in the last 12 months relating to services/supplies of this type (with all suppliers). <i>Please see FAQ document</i>	£1,506,241
*Has this been purchased before?	☒ Yes ☐ No
If you have answered Yes to the above question then please complete all questions in the section below:	
Which supplier currently provides this service/supply?	
How long has the arrangement with the current supplier been in place?	There is no governance authorising the existing arrangement, however the Council has been purchasing nightly ad hoc emergency accommodation since 2013.

Was a procurement/competition carried out at any time to appoint the current supplier? <i>Please explain how the current supplier was appointed (e.g. by a framework, by directly awarding without competition etc.).</i>	No.
Please provide details of the cumulative spend with the supplier to date (including and excluding VAT) for this service/supply over the lifetime of such arrangement: <i>Do not include the value of the contract now being requested in this exemption report</i>	Over the last 5 years records indicate spend of £4,170,122.00
Please provide any previous Governance reference number:	No governance.

SUPPLIER DETAILS

*Supplier Name: <i>Include any trading as name</i>	████████████████████
*Supplier Registration Number: <i>If applicable, can be found on Companies House / Charity Register / N/A for sole trader and some other entities (if in doubt of legal entity, please contact legal services)</i>	██████████
*Has the Supplier published an up to date Modern Slavery statement, if required by law to do so?	☐ Yes ☐ No ☒ Not Applicable
*Has the Supplier been screened for modern slavery purposes? <i>Please see the FAQ document for details. This must be done provided it is reasonable and proportionate to do so</i>	☐ Yes ☒ No
If yes to the above, did any issues relating to modern slavery arise? <i>If Yes, please contact Legal Services with details</i>	☐ Yes ☐ No

EXEMPTION INFORMATION

*Background Information <i>Provide background details to the Report</i>	This report sets out the intention to put in place interim governance and contract, in respect of flexible spot purchase emergency accommodation, pending the implementation of a full and compliant procurement process that aims to set up a framework under the Procurement Act 2023, and shall enable the Council to provide flexible spot purchased emergency accommodation to meet its statutory homelessness duties. Under the Housing Act 1996 (as amended by the Homelessness Reduction Act 2017), the Council has a statutory duty to provide temporary accommodation to certain households who present as homeless. Suspending access to emergency accommodation would prevent the council from fulfilling its statutory obligations under Section 188 of the Housing Act 1996. The duty to provide suitable accommodation is immediate and unavoidable. Failure to act could result in significant legal and reputational risks, including judicial review, ombudsman complaints, or compensation claims, particularly where vulnerable individuals or families with children are left without accommodation. Given the unpredictable and urgent nature of homelessness presentation, it is essential that the Council retains the ability to respond swiftly and appropriately. The interim contract will be in place for a strictly time limited period of nine months (1 September 2025 to 31 May 2026) to allow sufficient time to undertake a full and compliant procurement exercise under the Procurement Act 2023. The procurement is underway with the following estimated timescales: Preliminary Market Engagement - November 2025 Invitation to Tender – February 2026
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	Cabinet Approval – April 2026 Standstill Period – May 2026 Contract Go-Live – June 2026 The procurement roadmap is embedded within this report: Procurement Timeline - DN781533 V1.0.xlsx To meet its statutory duty, the Council utilises a range of accommodation types, including hostels, self-contained units, and leased properties. However, there are occasions when these options are either at full capacity or unsuitable due to specific risks associated with individual cases. In such instances the use of spot-purchase temporary accommodation supports the Council to ensure it can continue to meet its legal obligations. Historically, the Council has worked with several providers to deliver spot-purchase emergency temporary accommodation, and the arrangements have enabled the Council to fulfil its statutory responsibilities under the Housing Act 1996 (as amended by the Homelessness Reduction Act 2017) to provide temporary accommodation to certain households who present as homeless. Whilst this exemption report shall authorise spend for an interim period of contract only, the report acknowledges the historic cumulative spend which has been awarded to this contractor without governance, formal contract, nor compliance with contract rules or procurement legislation. In mitigation, the Council can demonstrate that a competitive procurement is underway to procure a compliant long-term arrangement for the temporary accommodation provision. This interim arrangement shall ensure that individuals housed in emergency temporary accommodation are treated fairly and respectfully in accordance with duties required under the Equality act 2010, ensuring recognition of the needs of individuals.
*Reason for Exemption Please select one option under the relevant main heading that provides justification for this Exemption Report. The section below contains an evidence section for supporting information.	SOLE SUPPLIER – <i>You want to obtain quotations or tenders from fewer bidders than the Contract Rules require (including a single bidder) because they are the only suppliers which can provide the services or goods or works you want to purchase. Why are they the only supplier which can provide the services/goods/works?</i> ☐ Option 1: No other suppliers on the market. You have liaised with Procurement and taken steps which have determined that there are no other suppliers on the market for these services/goods/works (please include the steps taken to determine this within the supporting evidence section). ☐ Option 2: Proprietary goods or services. Required to complement existing goods or services where no other choice is available i.e. Microsoft. ☐ Option 3: A genuine emergency. Something which is beyond the Council's control and that can be proved to have been unforeseen i.e. Force Majeure events, meaning that only this supplier can provide the services/goods/works in time. ☐ Option 4: Unforeseen changes. Relates to our statutory duties or Council priorities. Where a strategic decision has been delayed or changes significantly, meaning that only this supplier can provide the services/goods/works in time. ☒ Option 5: Insufficient time. Planning work left insufficient time to tender in line with contract rules, meaning that only this supplier can now provide the services/goods/works in time.

	☐ Option 6: Compliant Procurement routes exhausted. If a DPS or Framework or Corporate Contract is already awarded and in place but not suitable, as this is the only supplier who can provide the services/goods/works. ☐ Option 7: Service user choice. The service user/recipient of the service has expressed a preference for this supplier (please explain in the supporting information box whether the Council is required to take this preference into account). <u>EXTENSION/RENEWAL</u> – <i>You want to extend or renew an existing contract (with the same supplier) which does not have provision for an extension and where a change of supplier would cause (i) disproportionate technical difficulties and/or (ii) excessive cost; and/or significant disruption to services.</i> ☐ Option 8: An unavoidable temporary extension or renewal of existing contract. Arrangement to allow preparation for future competition, in line with a prior agreed strategy. <u>PARTNERSHIP</u> – <i>You are working in partnership with another public body and you are satisfied that their procurement/contract rules have been complied with in the letting of the contract.</i> ☐ Option 9: Working in partnership with another public body. The Council is satisfied that the public body's contract rules have been followed in the letting of the contract.
*Supporting Information and Evidence <i>Please provide any supporting information and evidence as to why this Exemption is needed.</i>	Analysis of spot purchase of emergency accommodation shows a significant amount spent in this area without a compliant procurement process having been completed, governance authorising spend or contract(s) governing the arrangements. To correct this moving forward, the Council seeks to authorise spend for a 9-month interim period whilst a competitive procurement is undertaken.
*Alternative Options Considered: <i>List alternative options considered and rejected and the reasons for rejection. Do not leave this section blank or put 'None'. There is always an alternative even if it is to do nothing.</i>	Option: Maintain Current Approach (Do Nothing) This option would involve continuing to use spot-purchased placements as an emergency measure to discharge our statutory duties under Section 188 of the Housing Act 1996, in situations where no other suitable accommodation is available, however, this approach has been discounted as it has operated without governance, contracts, or compliance with contract rules or procurement legislation. Continuing without a formal procurement route exposes the Council to risk of challenge on the basis that the Council has acted unlawfully, from a constitutional, contractual and procurement perspective. Option: Suspend Use of Spot-Purchased Placements Until Completion of Formal Procurement. This option would involve halting the use of spot-purchased temporary accommodation until a compliant procurement process has been completed and contracts are in place. However, this approach is not viable. Suspending access to emergency accommodation would prevent the council from fulfilling its statutory obligations under Section 188 of the Housing Act 1996, which requires local authorities to provide interim accommodation to applicants who may be homeless, eligible, and in priority need. The duty to provide suitable accommodation is immediate and unavoidable. Failure to act could result in significant legal and reputational risks, including judicial review, ombudsman complaints, or compensation claims, particularly where vulnerable individuals or families with children are left without accommodation. Given the unpredictable and urgent

	nature of homelessness presentation, it is essential that the Council retains the ability to respond swiftly and appropriately. Therefore, this option has been discounted on the grounds that it would expose the authority to unacceptable legal, operational and ethical risks.
*What alternative plan is in place should this exemption be rejected: <i>There is no guarantee that the Exemption Report will be approved. An alternative plan is required.</i>	There are very limited options for an alternative plan – Realistically This would involve halting the use of spot-purchased temporary accommodation until a compliant procurement process has been completed and contracts are in place. However, this approach is not viable. Suspending access to emergency accommodation would prevent the Council from fulfilling its statutory obligations under Section 188 of the Housing Act 1996, which requires local authorities to provide interim accommodation to applicants who may be homeless, eligible, and in priority need. The duty to provide suitable accommodation is immediate and unavoidable. Failure to act could result in significant legal and reputational risks, including judicial review, ombudsman complaints, or compensation claims, particularly where vulnerable individuals or families with children are left without accommodation. Given the unpredictable and urgent nature of homelessness presentation, it is essential that the Council retains the ability to respond swiftly and appropriately. Therefore, this option has been discounted on the grounds that it would expose the authority to unacceptable legal, operational and ethical risks.
*Value for Money: <i>Explain how the Council will still achieve value for money if the Exemption is agreed.</i>	The exemption is an interim measure to put governance and contracts in place whilst a full and compliant competitive procurement is completed, demonstrating value for money and ensuring the best possible choice is given to the Council when procuring nightly emergency accommodation – the strategic plan set out in our corporate priorities is to all but eradicate the use of spot purchase accommodation and put in place more cost-effective accommodation for the future.
*Is there a relevant corporate contract for this service/supply/works?	☐ Yes ☒ No
*Is there a relevant Framework or Dynamic Purchasing System that could be used for this service/supply/works?	☐ Yes ☒ No
If yes, please explain why it is not being used:	
*Corporate Priorities: <i>Set out how this decision links to the Council's corporate priorities. Further information is contained within the FAQ document</i>	Creating a Sustainable Future City Council This exemption allows PCC to adopt alternative strategies aimed at reducing Bed and Breakfast expenditures while providing support to households. The goal is to minimize the length of stay for these households in Bed and Breakfast accommodations, ultimately leading to a decrease in overall costs associated with such arrangements. Places and communities This exemption allows vulnerable individuals to receive essential support and maintain access to relevant services. Consequently, it ensures that we are effectively aiding vulnerable members of our communities in progressing along their housing pathways.
*Declarations/Conflicts of Interest and Dispensations granted: <i>Set out any conflicts of interest declared by any member consulted by the officer in relation to the matter and any dispensations granted in relation to the declared conflict.</i>	None.

EXEMPTION DOCUMENTATION

Data Protection

*Will anyone in this project collect, share or use information about people? Such as service users, employees, customers etc.	☒ Yes ☐ No
<i>If you have answered Yes to the above question then please complete all questions in the section below:</i>	
Has a Data Protection Impact Assessment (DPIA) Checklist been completed and sent to the Data Protection Officer? <i>See FAQ for link to DPIA Checklist form</i>	☒ Yes ☐ No
What was the outcome of the Data Protection Impact Assessment Checklist?	Lawful basis to share
Has a full Data Protection Impact Assessment been completed?	☒ Yes ☐ No ☐ N/A (DPO has advised a DPIA is not required)
Have you engaged with Legal Services to include relevant contract clauses on data processing responsibilities?	☐ Yes ☒ No

Environment

*Has a Carbon Impact Assessment (CIA) been carried out? <i>See FAQ for link to CIA form</i>	☐ Yes ☒ No
If Yes, what was the outcome of that assessment? <i>Summarise here the results of your completed Carbon Impact Assessment Form (form to be submitted to the Transport and Environment Team).</i>	

Supporting Documentation

Supporting Documentation <i>Please insert supporting documentation here as an object or via a SharePoint link (with view only access permission granted to all PCC/CCC staff). If the document contains confidential or commercially sensitive information then please send through to procurementcontracts@peterborough.gov.uk</i>	
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Exempt Information

*Does this Exemption Report relate to the placement or care of an individual? <i>If Yes you will need to complete the Exempt annex on page 6</i>	☐ Yes ☒ No
*Does this report contain exempt information? <i>If Yes then you will need to complete the exempt annex on the last page and set out why this information is considered exempt</i>	☐ Yes ☒ No

Please send completed Exemption Reports to procurementcontracts@peterborough.gov.uk for distribution to signatories.

Exempt Annex

This section should be completed if you believe that this Exemption Report contains exempt information	
Why is the information in this report considered exempt? <i>Please tick one or more options</i>	This report which is not for publication in accordance with Paragraph 3 of Schedule 12A of Part 1 to the Local Government Act 1972 because The information contained in this Exempt Annex should not be disclosed because the information (please select all relevant answers): ☐ Relates to an individual ☐ Is likely to reveal the identity of an individual ☐ Relates to the financial or business affairs (past or present) of a particular person (including the Council) ☐ Relates to any consultation or negotiations, or contemplated consultations or negotiations, in connection with any labour relation matters which are or may be the subject of dispute arising between the Council or a Minister of the Crown, and employees (employed under an employment contract) or office holders of the Council ☐ Is in respect of a claim for legal professional privilege in legal proceedings ☐ Reveals that the Council proposes to: (i) give under any legislation a notice under which requirements are imposed on a person; or (ii) make an order or direction under any legislation ☐ Relates to any action taken or to be taken in connection with the prevention, investigation or prosecution of a crime.
How has the public interest test been applied: <i>Set out why the information needs to be exempt from disclosure</i>	It is considered that the need to retain this information as exempt outweighs the public interest in disclosure because: <i>[Explain here how the public interest has been applied to the information and why the need to withhold it outweighs the public interest in knowing it.]</i>
Details of the Exempt Information: <i>Include the exempt information here</i>	<i>If this relates to an individual placement or care plan, you must include the following for audit purposes:</i> <i>Client number/Mosaic number:</i> <i>Individual's initials:</i> <i>Individual's date of birth:</i>

Exemption Report

Exemption Report to Executive Director of Corporate Services and S151 Officer and Director of Governance (or delegated Officer) under Section 4 of the Contract Rules

INTRODUCTION

Report Title:	Interim Arrangements for Spot Purchase Emergency Accommodation for Homeless Households
Report Date:	11 th Aug 2025
Contract Ref: <i>Should be provided by your Procurement contact, if not relevant or new contract, please enter N/A</i>	
Report Ref:	E001363
Date submitted:	26/08/2025
CPV Code:	98341000
Is this a service contained within Schedule 3 of the Public Contracts Regulations 2015?	<i>This will be populated by the Stage One Approver</i> ☐ Yes ☒ No

CONTACT INFORMATION

Lead Officer:	
Submitted by:	
Legal Contact:	
Procurement Contact:	
Directorate:	Place & Economy
Department:	Housing Needs
Key Stakeholders: <i>List those who you would like copied in on approval distribution</i>	Legal, Procurement Finance

APPROVALS

Do not approve unless document is distributed from Procurementcontracts@peterborough.gov.uk

Stage One Approvals

	29.08.25	Approved (caveated with requirement for procurement roadmap to be hyperlinked within report).
Signed (Legal Services)	Date	Commentary
	27.08.2025	Approved
Signed (Strategic Finance)	Date	Commentary
	27.08.2025	Approved
Signed (Procurement)	Date	Commentary

Stage Two Approval

	27/08/2025	Approved
Signed (Service Director)	Date	Commentary

Stage Three Approvals

	15/09/2025
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Signed (Executive Director of
Corporate Services and S151
Officer)

Date

All report fields marked with a red * are mandatory, reports that do not have all mandatory fields completed will be rejected.
Please refer to the FAQ for guidance on completing the report.

CONTRACT DETAILS - (Requested Decision)

*Contract to be awarded to: <i>(name of supplier)</i>	
*Contract for: <i>(describe the service/supplies/works)</i>	Spot purchased emergency accommodation (nightly) to house homeless households
*Contract Value (-VAT):	£31,433.60
*Contract Value (+VAT):	£39,292
*Estimated Contract Start Date (may be subject to change):	1 st September 2025
*Total Contract Length: <i>Include any extension periods included in the contract</i>	9 months (contract to expire on 31 May 2026) This is a strictly time limited arrangement until the competitively procured service contracts commence (estimated no later than 1 June 2026).
*Cost Centre that will be used for this contract:	PA3300

FINANCE

*Account Code: <i>Account code needs to be 6 or 11 digits - starting with A or C</i>	A44080
*Cost Centre: <i>6 digits code can be a combination of numbers and letters</i>	PA3300
*Analysis Code:	n/a
*Please specify the funding source: <i>I.e. revenue budget, capital programme, grant, reserves</i>	Core budget

AGGREGATION AND HISTORICAL CONTRACT INFORMATION

*Is this a service/supply contract which is regular in nature (commissioned more than once across the Council)?	☒ Yes ☐ No
*If yes, then please provide details of the value (including VAT and excluding VAT) of all contracts awarded in the last 12 months relating to services/supplies of this type (with all suppliers). <i>Please see FAQ document</i>	£267,030
*Has this been purchased before?	☒ Yes ☐ No
<i>If you have answered Yes to the above question then please complete all questions in the section below:</i>	
Which supplier currently pro vides this service/supply?	
How long has the arrangement with the current supplier been in place?	There is no governance authorising the existing arrangement, however the Council has been purchasing nightly ad hoc emergency accommodation since 2013.

Was a procurement/competition carried out at any time to appoint the current supplier? <i>Please explain how the current supplier was appointed (e.g. by a framework, by directly awarding without competition etc.).</i>	No.
Please provide details of the cumulative spend with the supplier to date (including and excluding VAT) for this service/supply over the lifetime of such arrangement: <i>Do not include the value of the contract now being requested in this exemption report</i>	██████████ – £918,780
Please provide any previous Governance reference number:	No governance.

SUPPLIER DETAILS

*Supplier Name: <i>Include any trading as name</i>	████████████████████
*Supplier Registration Number: <i>If applicable, can be found on Companies House / Charity Register / N/A for sole trader and some other entities (if in doubt of legal entity, please contact legal services)</i>	██████████
*Has the Supplier published an up to date Modern Slavery statement, if required by law to do so?	☐ Yes ☐ No ☒ Not Applicable
*Has the Supplier been screened for modern slavery purposes? <i>Please see the FAQ document for details. This must be done provided it is reasonable and proportionate to do so</i>	☐ Yes ☒ No
If yes to the above, did any issues relating to modern slavery arise? <i>If Yes, please contact Legal Services with details</i>	☐ Yes ☐ No

EXEMPTION INFORMATION

*Background Information <i>Provide background details to the Report</i>	This report sets out the intention to put in place interim governance and contract, in respect of flexible spot purchase emergency accommodation, pending the implementation of a full and compliant procurement process that aims to set up a framework under the Procurement Act 2023, and shall enable the Council to provide flexible spot purchased emergency accommodation to meet its statutory homelessness duties. Under the Housing Act 1996 (as amended by the Homelessness Reduction Act 2017), the Council has a statutory duty to provide temporary accommodation to certain households who present as homeless. Suspending access to emergency accommodation would prevent the council from fulfilling its statutory obligations under Section 188 of the Housing Act 1996. The duty to provide suitable accommodation is immediate and unavoidable. Failure to act could result in significant legal and reputational risks, including judicial review, ombudsman complaints, or compensation claims, particularly where vulnerable individuals or families with children are left without accommodation. Given the unpredictable and urgent nature of homelessness presentation, it is essential that the Council retains the ability to respond swiftly and appropriately. The interim contract will be in place for a strictly time limited period of nine months (1 September 2025 to 31 May 2026) to allow sufficient time to undertake a full and compliant procurement exercise under the Procurement Act 2023. The procurement is underway with the following estimated timescales: Preliminary Market Engagement - November 2025 Invitation to Tender – February 2026
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	Cabinet Approval – April 2026 Standstill Period – May 2026 Contract Go-Live – June 2026 The procurement roadmap is embedded within this report: Procurement Timeline - DN781533 V1.0.xlsx To meet its statutory duty, the Council utilises a range of accommodation types, including hostels, self-contained units, and leased properties. However, there are occasions when these options are either at full capacity or unsuitable due to specific risks associated with individual cases. In such instances the use of spot-purchase temporary accommodation supports the Council to ensure it can continue to meet its legal obligations. Historically, the Council has worked with several providers to deliver spot-purchase emergency temporary accommodation, and the arrangements have enabled the Council to fulfil its statutory responsibilities under the Housing Act 1996 (as amended by the Homelessness Reduction Act 2017) to provide temporary accommodation to certain households who present as homeless. Whilst this exemption report shall authorise spend for an interim period of contract only, the report acknowledges the historic cumulative spend which has been awarded to this contractor without governance, formal contract, nor compliance with contract rules or procurement legislation. In mitigation, the Council can demonstrate that a competitive procurement is underway to procure a compliant long-term arrangement for the temporary accommodation provision. This interim arrangement shall ensure that individuals housed in emergency temporary accommodation are treated fairly and respectfully in accordance with duties required under the Equality act 2010, ensuring recognition of the needs of individuals.
*Reason for Exemption Please select one option under the relevant main heading that provides justification for this Exemption Report. The section below contains an evidence section for supporting information.	SOLE SUPPLIER – <i>You want to obtain quotations or tenders from fewer bidders than the Contract Rules require (including a single bidder) because they are the only suppliers which can provide the services or goods or works you want to purchase. Why are they the only supplier which can provide the services/goods/works?</i> ☐ Option 1: No other suppliers on the market. You have liaised with Procurement and taken steps which have determined that there are no other suppliers on the market for these services/goods/works (please include the steps taken to determine this within the supporting evidence section). ☐ Option 2: Proprietary goods or services. Required to complement existing goods or services where no other choice is available i.e. Microsoft. ☐ Option 3: A genuine emergency. Something which is beyond the Council's control and that can be proved to have been unforeseen i.e. Force Majeure events, meaning that only this supplier can provide the services/goods/works in time. ☐ Option 4: Unforeseen changes. Relates to our statutory duties or Council priorities. Where a strategic decision has been delayed or changes significantly, meaning that only this supplier can provide the services/goods/works in time. ☒ Option 5: Insufficient time. Planning work left insufficient time to tender in line with contract rules, meaning that only this supplier can now provide the services/goods/works in time. ☐ Option 6: Compliant Procurement routes exhausted. If a DPS or Framework or Corporate Contract is already awarded and in place but not suitable, as this is the only supplier who can provide the services/goods/works.

	☐ Option 7: Service user choice. The service user/recipient of the service has expressed a preference for this supplier (please explain in the supporting information box whether the Council is required to take this preference into account). <u>EXTENSION/RENEWAL</u> – <i>You want to extend or renew an existing contract (with the same supplier) which does not have provision for an extension and where a change of supplier would cause (i) disproportionate technical difficulties and/or (ii) excessive cost; and/or significant disruption to services.</i> ☐ Option 8: An unavoidable temporary extension or renewal of existing contract. Arrangement to allow preparation for future competition, in line with a prior agreed strategy. <u>PARTNERSHIP</u> – <i>You are working in partnership with another public body and you are satisfied that their procurement/contract rules have been complied with in the letting of the contract.</i> ☐ Option 9: Working in partnership with another public body. The Council is satisfied that the public body's contract rules have been followed in the letting of the contract.
*Supporting Information and Evidence <i>Please provide any supporting information and evidence as to why this Exemption is needed.</i>	Analysis of spot purchase of emergency accommodation shows a significant amount spent in this area without a compliant procurement process having been completed, governance authorising spend or contract(s) governing the arrangements. To correct this moving forward, the Council seeks to authorise spend for a 9-month interim period whilst a competitive procurement is undertaken.
*Alternative Options Considered: <i>List alternative options considered and rejected and the reasons for rejection. Do not leave this section blank or put 'None'. There is always an alternative even if it is to do nothing.</i>	Option: Maintain Current Approach (Do Nothing) This option would involve continuing to use spot-purchased placements as an emergency measure to discharge our statutory duties under Section 188 of the Housing Act 1996, in situations where no other suitable accommodation is available, however, this approach has been discounted as it has operated without governance, contracts, or compliance with contract rules or procurement legislation. Continuing without a formal procurement route exposes the Council to risk of challenge on the basis that the Council has acted unlawfully, from a constitutional, contractual and procurement perspective. Option: Suspend Use of Spot-Purchased Placements Until Completion of Formal Procurement. This option would involve halting the use of spot-purchased temporary accommodation until a compliant procurement process has been completed and contracts are in place. However, this approach is not viable. Suspending access to emergency accommodation would prevent the council from fulfilling its statutory obligations under Section 188 of the Housing Act 1996, which requires local authorities to provide interim accommodation to applicants who may be homeless, eligible, and in priority need. The duty to provide suitable accommodation is immediate and unavoidable. Failure to act could result in significant legal and reputational risks, including judicial review, ombudsman complaints, or compensation claims, particularly where vulnerable individuals or families with children are left without accommodation. Given the unpredictable and urgent nature of homelessness presentation, it is essential that the Council retains the ability to respond swiftly and appropriately. Therefore, this option has been

	discounted on the grounds that it would expose the authority to unacceptable legal, operational and ethical risks.
*What alternative plan is in place should this exemption be rejected: <i>There is no guarantee that the Exemption Report will be approved. An alternative plan is required.</i>	There are very limited options for an alternative plan – Realistically This would involve halting the use of spot-purchased temporary accommodation until a compliant procurement process has been completed and contracts are in place. However, this approach is not viable. Suspending access to emergency accommodation would prevent the Council from fulfilling its statutory obligations under Section 188 of the Housing Act 1996, which requires local authorities to provide interim accommodation to applicants who may be homeless, eligible, and in priority need. The duty to provide suitable accommodation is immediate and unavoidable. Failure to act could result in significant legal and reputational risks, including judicial review, ombudsman complaints, or compensation claims, particularly where vulnerable individuals or families with children are left without accommodation. Given the unpredictable and urgent nature of homelessness presentation, it is essential that the Council retains the ability to respond swiftly and appropriately. Therefore, this option has been discounted on the grounds that it would expose the authority to unacceptable legal, operational and ethical risks.
*Value for Money: <i>Explain how the Council will still achieve value for money if the Exemption is agreed.</i>	The exemption is an interim measure to put governance and contracts in place whilst a full and compliant competitive procurement is completed, demonstrating value for money and ensuring the best possible choice is given to the Council when procuring nightly emergency accommodation – the strategic plan set out in our corporate priorities is to all but eradicate the use of spot purchase accommodation and put in place more cost-effective accommodation for the future.
*Is there a relevant corporate contract for this service/supply/works?	☐ Yes ☒ No
*Is there a relevant Framework or Dynamic Purchasing System that could be used for this service/supply/works?	☐ Yes ☒ No
If yes, please explain why it is not being used:	
*Corporate Priorities: <i>Set out how this decision links to the Council's corporate priorities. Further information is contained within the FAQ document</i>	Creating a Sustainable Future City Council This exemption allows PCC to adopt alternative strategies aimed at reducing Bed and Breakfast expenditures while providing support to households. The goal is to minimize the length of stay for these households in Bed and Breakfast accommodations, ultimately leading to a decrease in overall costs associated with such arrangements. Places and communities This exemption allows vulnerable individuals to receive essential support and maintain access to relevant services. Consequently, it ensures that we are effectively aiding vulnerable members of our communities in progressing along their housing pathways.
*Declarations/Conflicts of Interest and Dispensations granted: <i>Set out any conflicts of interest declared by any member consulted by the officer in relation to the matter and any dispensations granted in relation to the declared conflict.</i>	None.

EXEMPTION DOCUMENTATION

Data Protection

*Will anyone in this project collect, share or use information about people? Such as service users, employees, customers etc.	☒ Yes ☐ No
<i>If you have answered Yes to the above question then please complete all questions in the section below:</i>	
Has a Data Protection Impact Assessment (DPIA) Checklist been completed and sent to the Data Protection Officer? <i>See FAQ for link to DPIA Checklist form</i>	☒ Yes ☐ No
What was the outcome of the Data Protection Impact Assessment Checklist?	Lawful basis to share
Has a full Data Protection Impact Assessment been completed?	☒ Yes ☐ No ☐ N/A (DPO has advised a DPIA is not required)
Have you engaged with Legal Services to include relevant contract clauses on data processing responsibilities?	☐ Yes ☒ No

Environment

*Has a Carbon Impact Assessment (CIA) been carried out? <i>See FAQ for link to CIA form</i>	☐ Yes ☒ No
If Yes, what was the outcome of that assessment? <i>Summarise here the results of your completed Carbon Impact Assessment Form (form to be submitted to the Transport and Environment Team).</i>	

Supporting Documentation

Supporting Documentation <i>Please insert supporting documentation here as an object or via a SharePoint link (with view only access permission granted to all PCC/CCC staff). If the document contains confidential or commercially sensitive information then please send through to procurementcontracts@peterborough.gov.uk</i>	
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Exempt Information

*Does this Exemption Report relate to the placement or care of an individual? <i>If Yes you will need to complete the Exempt annex on page 6</i>	☐ Yes ☒ No
*Does this report contain exempt information? <i>If Yes then you will need to complete the exempt annex on the last page and set out why this information is considered exempt</i>	☐ Yes ☒ No

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Exempt Annex

This section should be completed if you believe that this Exemption Report contains exempt information	
Why is the information in this report considered exempt? <i>Please tick one or more options</i>	This report which is not for publication in accordance with Paragraph 3 of Schedule 12A of Part 1 to the Local Government Act 1972 because The information contained in this Exempt Annex should not be disclosed because the information (please select all relevant answers): ☐ Relates to an individual ☐ Is likely to reveal the identity of an individual ☐ Relates to the financial or business affairs (past or present) of a particular person (including the Council) ☐ Relates to any consultation or negotiations, or contemplated consultations or negotiations, in connection with any labour relation matters which are or may be the subject of dispute arising between the Council or a Minister of the Crown, and employees (employed under an employment contract) or office holders of the Council ☐ Is in respect of a claim for legal professional privilege in legal proceedings ☐ Reveals that the Council proposes to: (i) give under any legislation a notice under which requirements are imposed on a person; or (ii) make an order or direction under any legislation ☐ Relates to any action taken or to be taken in connection with the prevention, investigation or prosecution of a crime.
How has the public interest test been applied: <i>Set out why the information needs to be exempt from disclosure</i>	It is considered that the need to retain this information as exempt outweighs the public interest in disclosure because: <i>[Explain here how the public interest has been applied to the information and why the need to withhold it outweighs the public interest in knowing it.]</i>
Details of the Exempt Information: <i>Include the exempt information here</i>	<i>If this relates to an individual placement or care plan, you must include the following for audit purposes:</i> <i>Client number/Mosaic number:</i> <i>Individual's initials:</i> <i>Individual's date of birth:</i>

Exemption Report

Exemption Report to Executive Director of Corporate Services and S151 Officer and Director of Governance (or delegated Officer) under Section 4 of the Contract Rules

INTRODUCTION

Report Title:	Interim Arrangements for Spot Purchase Emergency Accommodation for Homeless Households
Report Date:	11 th Aug 2025
Contract Ref: <i>Should be provided by your Procurement contact, if not relevant or new contract, please enter N/A</i>	
Report Ref:	E001364
Date submitted:	26/08/2025
CPV Code:	98341000
Is this a service contained within Schedule 3 of the Public Contracts Regulations 2015?	<i>This will be populated by the Stage One Approver</i> ☐ Yes ☐ No

CONTACT INFORMATION

Lead Officer:	
Submitted by:	
Legal Contact:	
Procurement Contact:	
Directorate:	Place & Economy
Department:	Housing Needs
Key Stakeholders: <i>List those who you would like copied in on approval distribution</i>	Legal, Procurement Finance

APPROVALS

Do not approve unless document is distributed from Procurementcontracts@peterborough.gov.uk

Stage One Approvals

	29.08.25	Approved (caveated with requirement for procurement roadmap to be hyperlinked within report).
Signed (Legal Services)	Date	Commentary
	27/08/2025	Approved
Signed (Strategic Finance)	Date	Commentary
	27.08.2025	Approved
Signed (Procurement)	Date	Commentary

Stage Two Approval

	27/08/2025	Approved
Signed (Service Director)	Date	Commentary

Stage Three Approvals

	15/09/2025
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Signed (Executive Director of
Corporate Services and S151
Officer)

Date

All report fields marked with a red * are mandatory, reports that do not have all mandatory fields completed will be rejected.
Please refer to the FAQ for guidance on completing the report.

CONTRACT DETAILS - (Requested Decision)

*Contract to be awarded to: <i>(name of supplier)</i>	
*Contract for: <i>(describe the service/supplies/works)</i>	Spot purchased emergency accommodation (nightly) to house homeless households.
*Contract Value (-VAT):	£51,793.60
*Contract Value (+VAT):	£64,742
*Estimated Contract Start Date (may be subject to change):	1 st September 2025
*Total Contract Length: <i>Include any extension periods included in the contract</i>	9 months (contract to expire on 31 May 2026) This is a strictly time limited arrangement until the competitively procured service contracts commence (estimated no later than 1 June 2026).
*Cost Centre that will be used for this contract:	PA3300

FINANCE

*Account Code: <i>Account code needs to be 6 or 11 digits - starting with A or C</i>	A44080
*Cost Centre: <i>6 digits code can be a combination of numbers and letters</i>	PA3300
*Analysis Code:	n/a
*Please specify the funding source: <i>I.e. revenue budget, capital programme, grant, reserves</i>	Core budget

AGGREGATION AND HISTORICAL CONTRACT INFORMATION

*Is this a service/supply contract which is regular in nature (commissioned more than once across the Council)?	☒ Yes ☐ No
*If yes, then please provide details of the value (including VAT and excluding VAT) of all contracts awarded in the last 12 months relating to services/supplies of this type (with all suppliers). <i>Please see FAQ document</i>	
*Has this been purchased before?	☒ Yes ☐ No
If you have answered Yes to the above question then please complete all questions in the section below:	
Which supplier currently provides this service/supply?	
How long has the arrangement with the current supplier been in place?	There is no governance or contract authorising the existing arrangement, however the Council has been purchasing nightly ad hoc emergency accommodation since 2013.

Was a procurement/competition carried out at any time to appoint the current supplier? <i>Please explain how the current supplier was appointed (e.g. by a framework, by directly awarding without competition etc.).</i>	No.
Please provide details of the cumulative spend with the supplier to date (including and excluding VAT) for this service/supply over the lifetime of such arrangement: <i>Do not include the value of the contract now being requested in this exemption report</i>	Over the last 5 years records indicate spend of £919,037.00
Please provide any previous Governance reference number:	No governance.

SUPPLIER DETAILS

*Supplier Name: <i>Include any trading as name</i>	
*Supplier Registration Number: <i>If applicable, can be found on Companies House / Charity Register / N/A for sole trader and some other entities (if in doubt of legal entity, please contact legal services)</i>	
*Has the Supplier published an up to date Modern Slavery statement, if required by law to do so?	☐ Yes ☐ No ☒ Not Applicable
*Has the Supplier been screened for modern slavery purposes? <i>Please see the FAQ document for details. This must be done provided it is reasonable and proportionate to do so</i>	☐ Yes ☒ No
If yes to the above, did any issues relating to modern slavery arise? <i>If Yes, please contact Legal Services with details</i>	☐ Yes ☐ No

EXEMPTION INFORMATION

*Background Information <i>Provide background details to the Report</i>	This report sets out the intention to put in place interim governance and contract, in respect of flexible spot purchase emergency accommodation, pending the implementation of a full and compliant procurement process that aims to set up a framework under the Procurement Act 2023, and shall enable the Council to provide flexible spot purchased emergency accommodation to meet its statutory homelessness duties. Under the Housing Act 1996 (as amended by the Homelessness Reduction Act 2017), the Council has a statutory duty to provide temporary accommodation to certain households who present as homeless. Suspending access to emergency accommodation would prevent the council from fulfilling its statutory obligations under Section 188 of the Housing Act 1996. The duty to provide suitable accommodation is immediate and unavoidable. Failure to act could result in significant legal and reputational risks, including judicial review, ombudsman complaints, or compensation claims, particularly where vulnerable individuals or families with children are left without accommodation. Given the unpredictable and urgent nature of homelessness presentation, it is essential that the Council retains the ability to respond swiftly and appropriately. The interim contract will be in place for a strictly time limited period of nine months (1 September 2025 to 31 May 2026) to allow sufficient time to undertake a full and compliant procurement exercise under the Procurement Act 2023. The procurement is underway with the following estimated timescales: Preliminary Market Engagement - November 2025 Invitation to Tender – February 2026
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	Cabinet Approval – April 2026 Standstill Period – May 2026 Contract Go-Live – June 2026 The procurement roadmap is embedded within this report: Procurement Timeline - DN781533 V1.0.xlsx To meet its statutory duty, the Council utilises a range of accommodation types, including hostels, self-contained units, and leased properties. However, there are occasions when these options are either at full capacity or unsuitable due to specific risks associated with individual cases. In such instances the use of spot-purchase temporary accommodation supports the Council to ensure it can continue to meet its legal obligations. Historically, the Council has worked with several providers to deliver spot-purchase emergency temporary accommodation, and the arrangements have enabled the Council to fulfil its statutory responsibilities under the Housing Act 1996 (as amended by the Homelessness Reduction Act 2017) to provide temporary accommodation to certain households who present as homeless. Whilst this exemption report shall authorise spend for an interim period of contract only, the report acknowledges the historic cumulative spend which has been awarded to this contractor without governance, formal contract, nor compliance with contract rules or procurement legislation. In mitigation, the Council can demonstrate that a competitive procurement is underway to procure a compliant long-term arrangement for the temporary accommodation provision. This interim arrangement shall ensure that individuals housed in emergency temporary accommodation are treated fairly and respectfully in accordance with duties required under the Equality act 2010, ensuring recognition of the needs of individuals.
*Reason for Exemption Please select one option under the relevant main heading that provides justification for this Exemption Report. The section below contains an evidence section for supporting information.	SOLE SUPPLIER – <i>You want to obtain quotations or tenders from fewer bidders than the Contract Rules require (including a single bidder) because they are the only suppliers which can provide the services or goods or works you want to purchase. Why are they the only supplier which can provide the services/goods/works?</i> ☐ Option 1: No other suppliers on the market. You have liaised with Procurement and taken steps which have determined that there are no other suppliers on the market for these services/goods/works (please include the steps taken to determine this within the supporting evidence section). ☐ Option 2: Proprietary goods or services. Required to complement existing goods or services where no other choice is available i.e. Microsoft. ☐ Option 3: A genuine emergency. Something which is beyond the Council's control and that can be proved to have been unforeseen i.e. Force Majeure events, meaning that only this supplier can provide the services/goods/works in time. ☐ Option 4: Unforeseen changes. Relates to our statutory duties or Council priorities. Where a strategic decision has been delayed or changes significantly, meaning that only this supplier can provide the services/goods/works in time.

	☒ Option 5: Insufficient time. Planning work left insufficient time to tender in line with contract rules, meaning that only this supplier can now provide the services/goods/works in time. ☐ Option 6: Compliant Procurement routes exhausted. If a DPS or Framework or Corporate Contract is already awarded and in place but not suitable, as this is the only supplier who can provide the services/goods/works. ☐ Option 7: Service user choice. The service user/recipient of the service has expressed a preference for this supplier (please explain in the supporting information box whether the Council is required to take this preference into account). EXTENSION/RENEWAL – <i>You want to extend or renew an existing contract (with the same supplier) which does not have provision for an extension and where a change of supplier would cause (i) disproportionate technical difficulties and/or (ii) excessive cost; and/or significant disruption to services.</i> ☐ Option 8: An unavoidable temporary extension or renewal of existing contract. Arrangement to allow preparation for future competition, in line with a prior agreed strategy. PARTNERSHIP – <i>You are working in partnership with another public body and you are satisfied that their procurement/contract rules have been complied with in the letting of the contract.</i> ☐ Option 9: Working in partnership with another public body. The Council is satisfied that the public body's contract rules have been followed in the letting of the contract.
*Supporting Information and Evidence <i>Please provide any supporting information and evidence as to why this Exemption is needed.</i>	Due diligence into spot purchase of emergency accommodation shows a significant amount spent in this area without a compliant procurement process having been completed, governance authorising spend or contract(s) governing the arrangements. To correct this moving forward, the Council seeks to authorise spend for a 9-month interim period whilst a competitive procurement is undertaken.
*Alternative Options Considered: <i>List alternative options considered and rejected and the reasons for rejection. Do not leave this section blank or put 'None'. There is always an alternative even if it is to do nothing.</i>	Option: Maintain Current Approach (Do Nothing) This option would involve continuing to use spot-purchased placements as an emergency measure to discharge our statutory duties under Section 188 of the Housing Act 1996, in situations where no other suitable accommodation is available, however, this approach has been discounted as it has operated without governance, contracts, or compliance with contract rules or procurement legislation. Continuing without a formal procurement route exposes the Council to risk of challenge on the basis that the Council has acted unlawfully, from a constitutional, contractual and procurement perspective. Option: Suspend Use of Spot-Purchased Placements Until Completion of Formal Procurement. This option would involve halting the use of spot-purchased temporary accommodation until a formal procurement process has been completed and contracts are in place. However, this approach is not viable. Suspending access to emergency accommodation would prevent the council from fulfilling its statutory obligations under Section 188 of the Housing Act 1996, which requires local authorities to provide interim accommodation to applicants who may be homeless, eligible, and in priority need. The duty to provide suitable accommodation is

	immediate and unavoidable. Failure to act could result in significant legal and reputational risks, including judicial review, ombudsman complaints, or compensation claims, particularly where vulnerable individuals or families with children are left without accommodation. Given the unpredictable and urgent nature of homelessness presentation, it is essential that the council retains the ability to respond swiftly and appropriately. Therefore, this option has been discounted on the grounds that it would expose the authority to unacceptable legal, operational and ethical risks.
*What alternative plan is in place should this exemption be rejected: <i>There is no guarantee that the Exemption Report will be approved. An alternative plan is required.</i>	There are very limited options for an alternative plan – Realistically This would involve halting the use of spot-purchased temporary accommodation until a formal procurement process has been completed and contracts are in place. However, this approach is not viable. Suspending access to emergency accommodation would prevent the Council from fulfilling its statutory obligations under Section 188 of the Housing Act 1996, which requires local authorities to provide interim accommodation to applicants who may be homeless, eligible, and in priority need. The duty to provide suitable accommodation is immediate and unavoidable. Failure to act could result in significant legal and reputational risks, including judicial review, ombudsman complaints, or compensation claims, particularly where vulnerable individuals or families with children are left without accommodation. Given the unpredictable and urgent nature of homelessness presentation, it is essential that the council retains the ability to respond swiftly and appropriately. Therefore, this option has been discounted on the grounds that it would expose the authority to unacceptable legal, operational and ethical risks
*Value for Money: <i>Explain how the Council will still achieve value for money if the Exemption is agreed.</i>	The exemption is an interim measure to put governance and contracts in place whilst a full and compliant competitive procurement is completed, demonstrating value for money and ensuring the best possible choice is given to the Council when procuring nightly emergency accommodation – the strategic plan set out in our corporate priorities is to all but eradicate the use of spot purchase accommodation and put in place more cost-effective accommodation for the future.
*Is there a relevant corporate contract for this service/supply/works?	☐ Yes ☒ No
*Is there a relevant Framework or Dynamic Purchasing System that could be used for this service/supply/works?	☐ Yes ☒ No
If yes, please explain why it is not being used:	
*Corporate Priorities: <i>Set out how this decision links to the Council's corporate priorities. Further information is contained within the FAQ document</i>	Creating a Sustainable Future City Council This exemption allows PCC to adopt alternative strategies aimed at reducing Bed and Breakfast expenditures while providing support to households. The goal is to minimize the length of stay for these households in Bed and Breakfast accommodations, ultimately leading to a decrease in overall costs associated with such arrangements. Places and communities This exemption allows vulnerable individuals to receive essential support and maintain access to relevant services. Consequently, it ensures that we are effectively aiding vulnerable members of our communities in progressing along their housing pathways.
*Declarations/Conflicts of Interest and Dispensations granted: <i>Set out any conflicts of interest declared by any member consulted by the officer in relation to the matter and any</i>	None.

dispensations granted in relation to the declared conflict.	
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EXEMPTION DOCUMENTATION

Data Protection

*Will anyone in this project collect, share or use information about people? Such as service users, employees, customers etc.	☒ Yes ☐ No
<i>If you have answered Yes to the above question then please complete all questions in the section below:</i>	
Has a Data Protection Impact Assessment (DPIA) Checklist been completed and sent to the Data Protection Officer? <i>See FAQ for link to DPIA Checklist form</i>	☒ Yes ☐ No
What was the outcome of the Data Protection Impact Assessment Checklist?	Lawful basis to share
Has a full Data Protection Impact Assessment been completed?	☒ Yes ☐ No ☐ N/A (DPO has advised a DPIA is not required)
Have you engaged with Legal Services to include relevant contract clauses on data processing responsibilities?	☐ Yes ☒ No

Environment

*Has a Carbon Impact Assessment (CIA) been carried out? <i>See FAQ for link to CIA form</i>	☐ Yes ☒ No
If Yes, what was the outcome of that assessment? <i>Summarise here the results of your completed Carbon Impact Assessment Form (form to be submitted to the Transport and Environment Team).</i>	

Supporting Documentation

Supporting Documentation <i>Please insert supporting documentation here as an object or via a SharePoint link (with view only access permission granted to all PCC/CCC staff). If the document contains confidential or commercially sensitive information then please send through to procurementcontracts@peterborough.gov.uk</i>	
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Exempt Information

*Does this Exemption Report relate to the placement or care of an individual? <i>If Yes you will need to complete the Exempt annex on page 6</i>	☐ Yes ☒ No
*Does this report contain exempt information? <i>If Yes then you will need to complete the exempt annex on the last page and set out why this information is considered exempt</i>	☐ Yes ☒ No

Please send completed Exemption Reports to procurementcontracts@peterborough.gov.uk for distribution to signatories.

Exempt Annex

This section should be completed if you believe that this Exemption Report contains exempt information	
Why is the information in this report considered exempt? <i>Please tick one or more options</i>	This report which is not for publication in accordance with Paragraph 3 of Schedule 12A of Part 1 to the Local Government Act 1972 because The information contained in this Exempt Annex should not be disclosed because the information (please select all relevant answers): ☐ Relates to an individual ☐ Is likely to reveal the identity of an individual ☐ Relates to the financial or business affairs (past or present) of a particular person (including the Council) ☐ Relates to any consultation or negotiations, or contemplated consultations or negotiations, in connection with any labour relation matters which are or may be the subject of dispute arising between the Council or a Minister of the Crown, and employees (employed under an employment contract) or office holders of the Council ☐ Is in respect of a claim for legal professional privilege in legal proceedings ☐ Reveals that the Council proposes to: (i) give under any legislation a notice under which requirements are imposed on a person; or (ii) make an order or direction under any legislation ☐ Relates to any action taken or to be taken in connection with the prevention, investigation or prosecution of a crime.
How has the public interest test been applied: <i>Set out why the information needs to be exempt from disclosure</i>	It is considered that the need to retain this information as exempt outweighs the public interest in disclosure because: <i>[Explain here how the public interest has been applied to the information and why the need to withhold it outweighs the public interest in knowing it.]</i>
Details of the Exempt Information: <i>Include the exempt information here</i>	<i>If this relates to an individual placement or care plan, you must include the following for audit purposes:</i> <i>Client number/Mosaic number:</i> <i>Individual's initials:</i> <i>Individual's date of birth:</i>

Exemption Report

Exemption Report to Executive Director of Corporate Services and S151 Officer and Director of Governance (or delegated Officer) under Section 4 of the Contract Rules

INTRODUCTION

Report Title:	Interim Arrangements for Spot Purchase Emergency Accommodation for Homeless Households
Report Date:	11 th Aug 2025
Contract Ref: <i>Should be provided by your Procurement contact, if not relevant or new contract, please enter N/A</i>	
Report Ref:	E001365
Date submitted:	26/08/2025
CPV Code:	98341000
Is this a service contained within Schedule 3 of the Public Contracts Regulations 2015?	<i>This will be populated by the Stage One Approver</i> ☐ Yes ☐ No

CONTACT INFORMATION

Lead Officer:	
Submitted by:	
Legal Contact:	
Procurement Contact:	
Directorate:	Place & Economy
Department:	Housing Needs
Key Stakeholders: <i>List those who you would like copied in on approval distribution</i>	Legal, Procurement Finance

APPROVALS

Do not approve unless document is distributed from Procurementcontracts@peterborough.gov.uk

Stage One Approvals

[Redacted]		
	29.08.25	Approved (caveated with requirement for procurement roadmap to be hyperlinked within report).
Signed (Legal Services)	Date	Commentary
[Redacted]	27/08/2025	Approved
Signed (Strategic Finance)	Date	Commentary
[Redacted]	27/08/2025	Approved
Signed (Procurement)	Date	Commentary

Stage Two Approval

[Redacted]		
	27/08/25	Approved
Signed (Service Director)	Date	Commentary

Stage Three Approvals

[Redacted]	
	15/09/2025

Signed (Executive Director of
Corporate Services and S151
Officer)

Date

All report fields marked with a red * are mandatory, reports that do not have all mandatory fields completed will be rejected.
Please refer to the FAQ for guidance on completing the report.

CONTRACT DETAILS - (Requested Decision)

*Contract to be awarded to: <i>(name of supplier)</i>	
*Contract for: <i>(describe the service/supplies/works)</i>	Spot purchased emergency accommodation (nightly) to house homeless households.
*Contract Value (-VAT):	£38,934.40
*Contract Value (+VAT):	£48,668
*Estimated Contract Start Date (may be subject to change):	1 st September 2025
*Total Contract Length: <i>Include any extension periods included in the contract</i>	9 months (contract to expire on 31 May 2026) This is a strictly time limited arrangement until the competitively procured service contracts commence (estimated no later than 1 June 2026).
*Cost Centre that will be used for this contract:	PA3300

FINANCE

*Account Code: <i>Account code needs to be 6 or 11 digits - starting with A or C</i>	A44080
*Cost Centre: <i>6 digits code can be a combination of numbers and letters</i>	PA3300
*Analysis Code:	n/a
*Please specify the funding source: <i>I.e. revenue budget, capital programme, grant, reserves</i>	Core budget

AGGREGATION AND HISTORICAL CONTRACT INFORMATION

*Is this a service/supply contract which is regular in nature (commissioned more than once across the Council)?	☒ Yes ☐ No
*If yes, then please provide details of the value (including VAT and excluding VAT) of all contracts awarded in the last 12 months relating to services/supplies of this type (with all suppliers). <i>Please see FAQ document</i>	£147,525
*Has this been purchased before?	☒ Yes ☐ No
<i>If you have answered Yes to the above question then please complete all questions in the section below:</i>	
Which supplier currently provides this service/supply?	
How long has the arrangement with the current supplier been in place?	There is no governance or contract authorising the existing arrangement, however the Council has been purchasing nightly ad hoc emergency accommodation since 2013.

Was a procurement/competition carried out at any time to appoint the current supplier? <i>Please explain how the current supplier was appointed (e.g. by a framework, by directly awarding without competition etc.).</i>	No.
Please provide details of the cumulative spend with the supplier to date (including and excluding VAT) for this service/supply over the lifetime of such arrangement: <i>Do not include the value of the contract now being requested in this exemption report</i>	£690,788.00
Please provide any previous Governance reference number:	No governance.

SUPPLIER DETAILS

*Supplier Name: <i>Include any trading as name</i>	
*Supplier Registration Number: <i>If applicable, can be found on Companies House / Charity Register / N/A for sole trader and some other entities (if in doubt of legal entity, please contact legal services)</i>	
*Has the Supplier published an up to date Modern Slavery statement, if required by law to do so?	☐ Yes ☐ No ☒ Not Applicable
*Has the Supplier been screened for modern slavery purposes? <i>Please see the FAQ document for details. This must be done provided it is reasonable and proportionate to do so</i>	☐ Yes ☒ No
If yes to the above, did any issues relating to modern slavery arise? <i>If Yes, please contact Legal Services with details</i>	☐ Yes ☐ No

EXEMPTION INFORMATION

*Background Information <i>Provide background details to the Report</i>	This report sets out the intention to put in place interim governance and contract, in respect of flexible spot purchase emergency accommodation, pending the implementation of a full and compliant procurement process that aims to set up a framework under the Procurement Act 2023, and shall enable the Council to provide flexible spot purchased emergency accommodation to meet its statutory homelessness duties. Under the Housing Act 1996 (as amended by the Homelessness Reduction Act 2017), the Council has a statutory duty to provide temporary accommodation to certain households who present as homeless. Suspending access to emergency accommodation would prevent the council from fulfilling its statutory obligations under Section 188 of the Housing Act 1996. The duty to provide suitable accommodation is immediate and unavoidable. Failure to act could result in significant legal and reputational risks, including judicial review, ombudsman complaints, or compensation claims, particularly where vulnerable individuals or families with children are left without accommodation. Given the unpredictable and urgent nature of homelessness presentation, it is essential that the Council retains the ability to respond swiftly and appropriately. The interim contract will be in place for a strictly time limited period of nine months (1 September 2025 to 31 May 2026) to allow sufficient time to undertake a full and compliant procurement exercise under the Procurement Act 2023. The procurement is underway with the following estimated timescales: Preliminary Market Engagement - November 2025 Invitation to Tender – February 2026
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	Cabinet Approval – April 2026 Standstill Period – May 2026 Contract Go-Live – June 2026 The procurement roadmap is embedded within this report: Procurement Timeline - DN781533 V1.0.xlsx To meet its statutory duty, the Council utilises a range of accommodation types, including hostels, self-contained units, and leased properties. However, there are occasions when these options are either at full capacity or unsuitable due to specific risks associated with individual cases. In such instances the use of spot-purchase temporary accommodation supports the Council to ensure it can continue to meet its legal obligations. Historically, the Council has worked with several providers to deliver spot-purchase emergency temporary accommodation, and the arrangements have enabled the Council to fulfil its statutory responsibilities under the Housing Act 1996 (as amended by the Homelessness Reduction Act 2017) to provide temporary accommodation to certain households who present as homeless. Whilst this exemption report shall authorise spend for an interim period of contract only, the report acknowledges the historic cumulative spend which has been awarded to this contractor without governance, formal contract, nor compliance with contract rules or procurement legislation. In mitigation, the Council can demonstrate that a competitive procurement is underway to procure a compliant long-term arrangement for the temporary accommodation provision. This interim arrangement shall ensure that individuals housed in emergency temporary accommodation are treated fairly and respectfully in accordance with duties required under the Equality act 2010, ensuring recognition of the needs of individuals.
*Reason for Exemption Please select one option under the relevant main heading that provides justification for this Exemption Report. The section below contains an evidence section for supporting information.	SOLE SUPPLIER – <i>You want to obtain quotations or tenders from fewer bidders than the Contract Rules require (including a single bidder) because they are the only suppliers which can provide the services or goods or works you want to purchase. Why are they the only supplier which can provide the services/goods/works?</i> ☐ Option 1: No other suppliers on the market. You have liaised with Procurement and taken steps which have determined that there are no other suppliers on the market for these services/goods/works (please include the steps taken to determine this within the supporting evidence section). ☐ Option 2: Proprietary goods or services. Required to complement existing goods or services where no other choice is available i.e. Microsoft. ☐ Option 3: A genuine emergency. Something which is beyond the Council's control and that can be proved to have been unforeseen i.e. Force Majeure events, meaning that only this supplier can provide the services/goods/works in time. ☐ Option 4: Unforeseen changes. Relates to our statutory duties or Council priorities. Where a strategic decision has been delayed or changes significantly, meaning that only this supplier can provide the services/goods/works in time. ☒ Option 5: Insufficient time. Planning work left insufficient time to tender in line with contract rules, meaning that only this supplier can now provide the services/goods/works in time.

	☐ Option 6: Compliant Procurement routes exhausted. If a DPS or Framework or Corporate Contract is already awarded and in place but not suitable, as this is the only supplier who can provide the services/goods/works. ☐ Option 7: Service user choice. The service user/recipient of the service has expressed a preference for this supplier (please explain in the supporting information box whether the Council is required to take this preference into account). EXTENSION/RENEWAL – <i>You want to extend or renew an existing contract (with the same supplier) which does not have provision for an extension and where a change of supplier would cause (i) disproportionate technical difficulties and/or (ii) excessive cost; and/or significant disruption to services.</i> ☐ Option 8: An unavoidable temporary extension or renewal of existing contract. Arrangement to allow preparation for future competition, in line with a prior agreed strategy. PARTNERSHIP – <i>You are working in partnership with another public body and you are satisfied that their procurement/contract rules have been complied with in the letting of the contract.</i> ☐ Option 9: Working in partnership with another public body. The Council is satisfied that the public body's contract rules have been followed in the letting of the contract.
*Supporting Information and Evidence <i>Please provide any supporting information and evidence as to why this Exemption is needed.</i>	Analysis of spot purchase of emergency accommodation shows a significant amount spent in this area without a compliant procurement process having been completed, governance authorising spend or contract(s) governing the arrangements. To correct this moving forward, the Council seeks to authorise spend for a 9-month interim period whilst a competitive procurement is undertaken.
*Alternative Options Considered: <i>List alternative options considered and rejected and the reasons for rejection. Do not leave this section blank or put 'None'. There is always an alternative even if it is to do nothing.</i>	Option: Maintain Current Approach (Do Nothing) This option would involve continuing to use spot-purchased placements as an emergency measure to discharge our statutory duties under Section 188 of the Housing Act 1996, in situations where no other suitable accommodation is available, however, this approach has been discounted as it has operated without governance, contracts, or compliance with contract rules or procurement legislation. Continuing without a formal procurement route exposes the Council to risk of challenge on the basis that the Council has acted unlawfully, from a constitutional, contractual and procurement perspective. Option: Suspend Use of Spot-Purchased Placements Until Completion of Formal Procurement. This option would involve halting the use of spot-purchased temporary accommodation until a compliant procurement process has been completed and contracts are in place. However, this approach is not viable. Suspending access to emergency accommodation would prevent the council from fulfilling its statutory obligations under Section 188 of the Housing Act 1996, which requires local authorities to provide interim accommodation to applicants who may be homeless, eligible, and in priority need. The duty to provide suitable accommodation is immediate and unavoidable. Failure to act could result in significant legal and reputational risks, including judicial review, ombudsman complaints, or compensation claims, particularly where vulnerable individuals or families with children are left without accommodation. Given the unpredictable and urgent

	nature of homelessness presentation, it is essential that the Council retains the ability to respond swiftly and appropriately. Therefore, this option has been discounted on the grounds that it would expose the authority to unacceptable legal, operational and ethical risks.
*What alternative plan is in place should this exemption be rejected: <i>There is no guarantee that the Exemption Report will be approved. An alternative plan is required.</i>	There are very limited options for an alternative plan – Realistically This would involve halting the use of spot-purchased temporary accommodation until a compliant procurement process has been completed and contracts are in place. However, this approach is not viable. Suspending access to emergency accommodation would prevent the Council from fulfilling its statutory obligations under Section 188 of the Housing Act 1996, which requires local authorities to provide interim accommodation to applicants who may be homeless, eligible, and in priority need. The duty to provide suitable accommodation is immediate and unavoidable. Failure to act could result in significant legal and reputational risks, including judicial review, ombudsman complaints, or compensation claims, particularly where vulnerable individuals or families with children are left without accommodation. Given the unpredictable and urgent nature of homelessness presentation, it is essential that the Council retains the ability to respond swiftly and appropriately. Therefore, this option has been discounted on the grounds that it would expose the authority to unacceptable legal, operational and ethical risks.
*Value for Money: <i>Explain how the Council will still achieve value for money if the Exemption is agreed.</i>	The exemption is an interim measure to put governance and contracts in place whilst a full and compliant competitive procurement is completed, demonstrating value for money and ensuring the best possible choice is given to the Council when procuring nightly emergency accommodation – the strategic plan set out in our corporate priorities is to all but eradicate the use of spot purchase accommodation and put in place more cost-effective accommodation for the future.
*Is there a relevant corporate contract for this service/supply/works?	☐ Yes ☒ No
*Is there a relevant Framework or Dynamic Purchasing System that could be used for this service/supply/works?	☐ Yes ☒ No
If yes, please explain why it is not being used:	
*Corporate Priorities: <i>Set out how this decision links to the Council's corporate priorities. Further information is contained within the FAQ document</i>	Creating a Sustainable Future City Council This exemption allows PCC to adopt alternative strategies aimed at reducing Bed and Breakfast expenditures while providing support to households. The goal is to minimize the length of stay for these households in Bed and Breakfast accommodations, ultimately leading to a decrease in overall costs associated with such arrangements. Places and communities This exemption allows vulnerable individuals to receive essential support and maintain access to relevant services. Consequently, it ensures that we are effectively aiding vulnerable members of our communities in progressing along their housing pathways.
*Declarations/Conflicts of Interest and Dispensations granted: <i>Set out any conflicts of interest declared by any member consulted by the officer in relation to the matter and any dispensations granted in relation to the declared conflict.</i>	None.

EXEMPTION DOCUMENTATION

Data Protection

*Will anyone in this project collect, share or use information about people? Such as service users, employees, customers etc.	☒ Yes ☐ No
If you have answered Yes to the above question then please complete all questions in the section below:	
Has a Data Protection Impact Assessment (DPIA) Checklist been completed and sent to the Data Protection Officer? <i>See FAQ for link to DPIA Checklist form</i>	☒ Yes ☐ No
What was the outcome of the Data Protection Impact Assessment Checklist?	Lawful basis to share
Has a full Data Protection Impact Assessment been completed?	☒ Yes ☐ No ☐ N/A (DPO has advised a DPIA is not required)
Have you engaged with Legal Services to include relevant contract clauses on data processing responsibilities?	☐ Yes ☒ No

Environment

*Has a Carbon Impact Assessment (CIA) been carried out? <i>See FAQ for link to CIA form</i>	☐ Yes ☒ No
If Yes, what was the outcome of that assessment? <i>Summarise here the results of your completed Carbon Impact Assessment Form (form to be submitted to the Transport and Environment Team).</i>	

Supporting Documentation

Supporting Documentation <i>Please insert supporting documentation here as an object or via a SharePoint link (with view only access permission granted to all PCC/CCC staff). If the document contains confidential or commercially sensitive information then please send through to procurementcontracts@peterborough.gov.uk</i>	
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Exempt Information

*Does this Exemption Report relate to the placement or care of an individual? <i>If Yes you will need to complete the Exempt annex on page 6</i>	☐ Yes ☒ No
*Does this report contain exempt information? <i>If Yes then you will need to complete the exempt annex on the last page and set out why this information is considered exempt</i>	☐ Yes ☒ No

Please send completed Exemption Reports to procurementcontracts@peterborough.gov.uk for distribution to signatories.

Exempt Annex

This section should be completed if you believe that this Exemption Report contains exempt information	
Why is the information in this report considered exempt? <i>Please tick one or more options</i>	This report which is not for publication in accordance with Paragraph 3 of Schedule 12A of Part 1 to the Local Government Act 1972 because The information contained in this Exempt Annex should not be disclosed because the information (please select all relevant answers): ☐ Relates to an individual ☐ Is likely to reveal the identity of an individual ☐ Relates to the financial or business affairs (past or present) of a particular person (including the Council) ☐ Relates to any consultation or negotiations, or contemplated consultations or negotiations, in connection with any labour relation matters which are or may be the subject of dispute arising between the Council or a Minister of the Crown, and employees (employed under an employment contract) or office holders of the Council ☐ Is in respect of a claim for legal professional privilege in legal proceedings ☐ Reveals that the Council proposes to: (i) give under any legislation a notice under which requirements are imposed on a person; or (ii) make an order or direction under any legislation ☐ Relates to any action taken or to be taken in connection with the prevention, investigation or prosecution of a crime.
How has the public interest test been applied: <i>Set out why the information needs to be exempt from disclosure</i>	It is considered that the need to retain this information as exempt outweighs the public interest in disclosure because: <i>[Explain here how the public interest has been applied to the information and why the need to withhold it outweighs the public interest in knowing it.]</i>
Details of the Exempt Information: <i>Include the exempt information here</i>	<i>If this relates to an individual placement or care plan, you must include the following for audit purposes:</i> <i>Client number/Mosaic number:</i> <i>Individual's initials:</i> <i>Individual's date of birth:</i>