



Rt Hon Yvette Cooper MP
Home Affairs Committee Chair,
Committee Office,
House of Commons,
London,
SW1A 0AA

13 JUL 2018

Dear Yvette

Thank you for your letter dated 9th July regarding the procurement of asylum accommodation and support services in the North East, Yorkshire and Humber and in Northern Ireland. As the procurement processes are currently active I am limited in what I can say so as not to prejudice them.

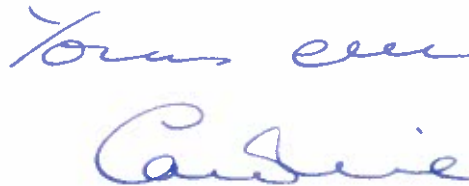
My officials have engaged extensively with stakeholders to develop the strategy and requirements for the next generation of asylum accommodation and support contracts. This work has built on the lessons that we have learnt from the current contracts, including the conclusions of your Committee's report on this area and feedback from our engagement with the market. The procurement commenced in November last year; responses to the 'Invitation To Tender' phase of the procurement were received on 12 April 2018.

For two of the seven regions (North East, Yorkshire and Humberside and Northern Ireland) we did not receive any compliant bids to proceed to the next stage of procurement. My officials undertook engagement with potential bidders and the wider market to identify why there were no compliant bids for these regions. My officials are satisfied that the lack of bids was due to technical reasons rather than a general lack of interest in providing the services in these regions. As a result, my officials launched a second procurement exercise known as AASC (2) for these two regions on 21st May this year.

The second procurement exercise is currently underway, and is based on an identical set of requirements to the first procurement. The omission of the reference to working with local authorities in the Contract Notice, this was an oversight, but not a material one, as the contract documentation continues to have the same focus and requirements on working with local government, statutory organisations and the third sector to secure the safety and welfare of Service Users, and improve local service delivery.

The inclusion of 'urgency' in the procurement notice was to make bidders aware that the Department intended to use regulation 29(10) of the Procurement Directive to expedite some elements of the procurement process. This decision was made to ensure there is as much time as possible to transition the services and because market engagement indicated that potential bidders would be drawn from the same organisations that had been engaged in the previous procurement process and therefore would be able to submit the required information for the Selection Questionnaire (SQ) phase of the procurement in a shorter time period.

We have taken steps to mitigate the time delay that the second procurement activity will take (both through expediting some of the processes, as set out above, and speeding up some of the internal governance procedures), and are ensuring that there is sufficient resource focussed on transitional activity within these regions, undertaking planning activity upfront and ensuring that lessons from the regions in the first lots are carried into this work. In parallel, we are developing contingency options and we will manage risks and their mitigations and contingency measures very closely over the coming months. We remain confident of having a fully operational contract before the expiry of the current arrangements, with sufficient time to properly transition the services.

A handwritten signature in blue ink, appearing to read 'Caroline Nokes', is centered on the page.

Rt Hon Caroline Nokes MP
Minister of State for Immigration