

DECISION MAKER:	CABINET MEMBER: Health and Wellbeing
DECISION DATE:	12 December 2014
SCRUTINY COMMITTEE FINAL CALL-IN DATE:	17 December 2014
DATE DECISION MAY BE IMPLEMENTED:	18 December 2014
TITLE OF REPORT:	Housing related support service contracts (Accommodation based & Floating support)
REPORT BY:	Laura Lloyd Commissioning Officer

Classification

Open

Key Decision

This is key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function to which the decision relates.

NOTICE has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Wards Affected

County-wide

Purpose

To seek approval on the recommendations for three housing related support service contracts, currently delivered by Home Group (Stonham), to be re-commissioned by tender.

Recommendation(s)

THAT:

- (a) the two accommodation based housing related support contracts (for homeless individuals and for ex-offenders), currently delivered by Home Group (Stonham), are amalgamated and re-commissioned by tender as one contract for a three year period, with built-in year on year reduction after the first year;
- (b) the housing related floating support contract, currently delivered by Home Group (Stonham) is re-commissioned by tender for a three year contract period, at a reduced cost and built in year on year reduction thereafter;
- (c) authority is delegated to Officer Decision for contract award within a maximum budget of £920,316;

Alternative Options

1. The services are decommissioned; this option is not recommended as the services are supporting vulnerable people who are homeless or at risk of homelessness with substance and/or alcohol misuse, offending behaviour and/or mental health issues. The impact of not providing the housing related support service will be an increase in rough sleepers and homeless application, increase in demand for temporary accommodation or B&B, potential increase in offending, hospital admissions and antisocial behaviour. This will create a pressure on resource within the Housing Solutions Team, increase demand on Probation services, Police, hospitals, creates a financial burden on budgets and wider community impact.
2. The accommodation based support services could again, be re-commissioned separately; this option is not recommended as there have been notable benefits from both the accommodation based support being delivered by the same provider. There are very strong links between the client groups which has enabled movement between the accommodation, to access the service sooner, reducing the waiting list and the demand on temporary accommodation as well as providing continuity of service.

Reasons for Recommendations

3. The three contracts have been individually reviewed. The services provide accommodation based and floating housing related support to vulnerable people who are homeless or at risk of homeless to enable them to secure, maintain and sustain tenancies/accommodation, live independently and develop skills to prevent them from re-entering the services.
4. The services provide positive outcome for individuals by reduce demand on temporary accommodation and the need for B&B, whilst working towards sustaining and maintaining tenancies/accommodation and to prevent homelessness where possible, in line with corporate aims and objectives.
5. There is a continued need for the services, which form an integral part of the Single Person Homeless Pathway, supported by the Governments "No Second Night Out"

policy.¹

6. Without the services being provided, there would be a high need to provide B&B which would place a burden upon revenue budgets. Clients can only be placed into B&B for a maximum of 6 weeks, after which point they could need to be placed into temporary accommodation, which is very limited and disruptive to the vulnerable client group.
7. There would be an increase in the number of rough sleepers without the services being available, which does not meet the “No Second Night Out” policy Herefordshire Council have signed to.
8. There are also wider community considerations and resource savings such as reductions in re-offending (Police and Probation), reductions in hospital admissions and incidents of anti-social behaviour.

Key Considerations

9. The three contracts are due to end of the 31st August 2015, along with the housing related floating support contract delivered by Fortis Living (formally Festival Housing) and the homelessness prevention contract delivered by Herefordshire Housing Ltd. All contracts have been reviewed together to eliminate duplications of service and ensuring more efficient future commissioning intentions, in line with the targeted savings. Recommendation for the decommission of the housing related floated support
10. The aim of the services are to provide housing related support to vulnerable single individuals who are homeless or at risk of homelessness, to provide supported accommodation and floating support, to work towards living independently to improve their quality of life.
11. The support provides social inclusion, skills building to deal with day to day housing related tasks, training and accessing employment, resolving historic rent arrears and anti social behaviour, maximise independence, improve quality of life and to work towards their aspirations. This can delay, reduce and remove the need for other services.
12. Without these services being made available to this vulnerable client group for the past 2 years, 324 people could have been placed in B&B pending investigations. Of which 61 people were placed into supported accommodation and 263 were provided with floating support to sustain their accommodation or move to more suitable accommodation.
13. A total of 849 vulnerable people have been referred to these services over the past 2 years.
14. There are very strong links between the client groups for the two accommodation based support contracts. By amalgamating these contracts the service will be more

¹ <https://www.gov.uk/government/publications/vision-to-end-rough-sleeping>

continuable for clients and provide more streamlined move on arrangements. It is recommended the contract value remains at the current level for the first year with a 5% reduction year on year thereafter. Further savings have not been recommended as an additional element of complex needs for high risk clients will be included in the future service specification, which will create additional work and staffing requirements. This element will address the very challenging client group which are very difficult to house and a financial pressure across services.

15. The floating support contract service specification will focus on a range of provisions including complex needs to lower level support. Whilst savings can be found in the current contract, the additional staffing required for future complex needs cases has been taken into consideration. The contract value is recommended to be reduced initially by 15% and then 5% year on year thereafter.
16. The vast majority of the people referred to the housing related support services are of the same needs group; ex-offenders and substance and alcohol misuse, this is evident across all of the contracts.
17. By ensuring those with complex needs are provided with floating support service, housing providers may then consider them and assist them to be rehoused, reducing the demand on temporary accommodation and easing the bed-blocking issues.
18. The drug and alcohol treatment service has been reviewed by Public Health Commissioning, and is currently being retendered. The treatment service may touch on a few aspects of housing with some clients but will need to refer clients into specialist housing related support services, as it will not have the capacity to offer the level of housing related support required to achieve the outcomes of the housing related support service.
19. The reoffending rate for those released from custody between April 2011 and March 2012 was 45.8% and varied by age and gender, with a higher rate for men and young people. Research has identified a range of social factors that are linked to offending and reoffending. These include accommodation and Education, Training & Employment (ETE) needs, and prisoners in the Surveying Prisoner Crime Reduction (SPCR) survey said addressing these were two key factors in helping them to not reoffend. In the SPCR survey, those who had been homeless prior to custody and those who reported needing help to find accommodation were more likely to be reconvicted.²
20. The services focus on the prevention of homelessness and works in partnership with local partners, both statutory and voluntary, to explore opportunities to promote and encourage all clients to access education, training and employment and to reduce re-offending behaviour. The strategic outcomes are:
 - Reductions in levels of homelessness
 - Reduced levels in incidences of repeat homelessness
 - Reductions in the use of temporary accommodation
 - Reduction in the number of households registering with Home Point

² Criminal Justice Joint Inspection Resettlement provision for adult offenders – Accommodation & education, training & employment
September 2014

- Promote programmes of resettlement and enable people to live independently
- Reductions in the number of people who re-offend

21. The services are anticipated to go out to the market for tender mid-December 2014, to award contract to the successful provider(s) mid-March 2015 with contract start date of 1st September 2015.

Community Impact

22. The services contribute to the Adult and Wellbeing aims and objectives “To enable residents to live safe, healthy and independent lives and to maintain service provision, to those with need, within the available resources”. The service contributes to this by reducing demand on services, targeting care and support and increasing integration to support to the most vulnerable within the community.

23. The service works with vulnerable client group who are homeless or at risk of homelessness and may have substance misuse, alcohol related issues, offending behaviour and mental health issues. The services encourage and support clients to become socially involved with the community.

24. The service aims to meet the outcomes which contribute to the Herefordshire Council Corporate Plan 2013-2015 to enable residents to be independent and lead fulfilling lives.

25. The services contribute to the reduction of the number of people who are on the streets, supporting the work the police are undertaking through the Castlemain Project, to move people on who are causing a nuisance to the community.

Equality and Human Rights

26. The Equality Duty 2010 has 3 aims (general duty)

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the act
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those that who do not.

27. The Public Sector Equality Duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying “due regard” in our decision making in the design of polices and in the delivery of services.

28. An Equality Impact assessment has been completed and is attached (appendix 4) any change made to the service by the provider will require a further Equality Impact Assessment to be completed.

Financial Implications

29. **Existing:** The accommodation based support service (for single homeless individuals) contract current contract value is £561,000 for the three year period, ending 31st August 2015.
30. **Existing:** The accommodation based support service (for ex-offenders) contract value is £517,565 for the three year period, ending 31st August 2015.
31. **Future Intentions:** The amalgamated accommodation based support service is recommended to remain at the same level for the first year, with a 5% reduction year on year throughout the remaining term of the contract, which equates to a new contract value of £920,316 for a three year period.
32. **Existing:** The housing related floating support service contract value is £635,859 for the three year period ending 31st August 2015.
33. **Future Intentions:** The housing related floating support service contract is recommended to be reduced by 15% of the last year's contract value, with a 5% reduction year on year throughout the remaining term of the contract, which equates to a new contract value of £482,089 for a three year period.

Legal Implications

34. These services would have historically been provided under the "Supporting People" programme which was funded by a s93 Local Government Act 2000 grant. The scheme was withdrawn in April 2011 and the monies formerly paid under this grant to social services authorities are now paid to the Council as part of the standard formula grant. As such, the funds are no longer ring-fenced and the Council has a wide discretion as to how they are spent.
35. There is no express statutory requirement for the provision of these services; however, the Council may provide such services under s2, Local Government Act 2000.
36. The provision of these services is in line with the Council's strategic objectives to promote independence, prevent dependence and maximise self-help.
37. Without these services, it is likely that the Council would not achieve its objectives and the affected service users would become more dependent on other statutory services. This would adversely affect the ability of the Council to achieve the necessary efficiency savings in those areas for the next few financial years.
38. Even where the existing contracts may naturally come to an end, there is a possibility of challenge from service users if the Council is not able to continue services on the basis that a legitimate expectation has arisen.

39. Legal will need to review the current contracts and advise upon a suitable contract for the amalgamated service.
40. The procurement exercise for the award of a contract for this service provision needs to be undertaken in line with certain EC Procurement regulations and with the council's own contract procedure rules. This is a 'Part B' service above the threshold which triggers the need for some EC compliance. As a part B service it is not subject to the full remit of the Regulations but certain parts still apply which govern the procedure which needs to be followed. Failure to comply will leave the council open to a claim for financial loss. Detailed advice should be sought from the procurement team and legal as to due process and the preparation of the tender pack including draft contract.

Risk Management

41. Any risks have been appropriately identified and recorded within the commissioning service risk register, where they will be escalated from there if required.

Consultees

42. The current providers, service users, probation services, West Mercia Police, Herefordshire Vennture, the Housing Solutions team, Public Health Commissioning and Housing Partnership Commissioning within the Adult and Wellbeing directorate have been consulted with to inform the reviews. Please see individual reports for comments.

Appendices

43. Housing related support service contract review reports (Appendix 1)
 - Accommodation based support service for homeless individuals (Appendix 2)
 - Accommodation based support service for ex-offenders (Appendix 3)
 - Housing related floating support service (Appendix 4)
44. Equality Impact Assessment (Appendix 5)

Background Papers

45. None