

Title of report: Accommodation based and floating support services

Decision maker: Cabinet member adults, health and wellbeing

Decision date: Thursday 27 July 2023

Report by: Wendy Dyer, Senior Commissioning Officer

Classification

Open

Decision type

Key

This is a 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 concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected

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

(All Wards);

Purpose

To seek approval to commission, by means of a competitive tender process in line with the council's contract procedure rules, an accommodation based housing related support service. The accommodation based housing related support service is currently delivered by Caring for Communities and People (CCP) and is due to expire on 31 August 2024.

To seek approval to commission, by means of a competitive tender process in line with the council's contract procedure rules, a housing related floating support service. Two separate but related contracts are currently commissioned and delivered by CCP and Connexus.

Recommendation(s)

That:

- a) the commissioning of a single floating support service through an open procurement process, be approved, for a period of up to 53 months from 1 April 2024 up to 31 August 2028 with a maximum total cost of £675,008.**
- b) the commissioning of an accommodation based support service through an open procurement process be approved, for a period of up to 48 months, commencing from the end of the previous contract on 1 September 2024 up to 31 August 2028, with a maximum total cost of £1,062,096;**
- c) authority be delegated to the Corporate Director, Community Wellbeing to award contracts for accommodation based and floating support services, following the completion of procurement processes;**
- d) that delegated authority is given to the Corporate Director, Community Wellbeing to approve any changes to the commissioning process, or subsequent contracts for their duration, including the option to extend and to vary and terminate existing contracts.**

Alternative options

1. The services are not re-commissioned. This option is not recommended as both contracts form part of the council's approach to preventing and relieving homelessness and supports the council to fulfil its duties under The Homelessness Reduction Act 2017 and the council's commitment to its care leavers as Corporate Parent.

People supported are at risk of homelessness or who are homeless and may have experienced trauma and/or adverse childhood experiences and will often have multiple and complex vulnerabilities. It is likely people referred to the service may be known to a number of agencies, including the police / probation, drug and alcohol recovery services, mental health services and adult social care.

The impact of not providing either service would result in an increase in rough sleepers and homelessness applications to the council and growing use of temporary accommodation.

Not recommissioning the services would be a lost opportunity to improve outcomes for very vulnerable people and would be detrimental to the council's ability to comply with its duties under homelessness legislation.

Usually, if the accommodation based support service is full, people are placed in B&B or temporary accommodation, with the resultant risks and costs. If the accommodation based service were to close, all the occupants and all people newly referred would need to go into B&B or other temporary accommodation provided by the council. A proportion may become excluded from accommodation and may become rough sleepers. In addition to the absence of support and the likely poor outcomes for people, this level of demand could significantly affect the council's B&B and temporary accommodation provision. There would also be a risk of increased offending behaviour, hospital admissions or anti-social behaviour, with associated financial pressures for the council and other public services.

2. The contracts with the existing provider are extended. This option is not practicable since neither contract contains an option to extend. This option would also not enable the council to bring together two separately commissioned services that provide floating housing support and outreach enabling efficiencies to be made, the development of the delivery model and maximising usage throughout the county.

Key considerations

3. The council has an accommodation based support service along with family mediation and a floating support/outreach service. The service supports the council's commitment to its care leavers as Corporate Parent, supports the homelessness prevention strategy and enables young people to access flexible support to avoid housing crisis or homelessness. The current contract is due to expire on 31 January 2026.
4. The council also has a floating support service for vulnerable people over the age of 18 who find themselves homeless or at risk of homelessness. The overall aim of the service is to prevent homelessness, support the homelessness prevention strategy and contribute to the reduction of rough sleeping and re-offending in the county. The current contract is due to expire on 31 August 2024.
5. In order to bring together both services into one delivery model incorporating specialist services for young people the current Floating Support contract with CCP will be terminated and the Connexus contract will be varied to remove the outreach and mediation elements of the service whilst keeping the accommodation element. There are no cost implications relating to bringing the contracts to an end in this way.
6. Bringing together the two separately commissioned services that provide floating housing support and outreach enables efficiencies to be made along with the development of the delivery model to maximise usage throughout the county. The new service will commence on 1 April 2024 and will support people aged 16 upwards to include provision of specialist young people and mediation trained workers. The service will be outcome focused to support people aged over 16 to sustain their existing living arrangements or to move on into more suitable accommodation. Referrals to the service will continue to be made by a range of agencies including Herefordshire Councils Housing Solutions Team and Childrens service
7. Bringing both existing floating support/outreach contracts to an end utilising the relevant clauses in the contracts and recommissioning a larger single outreach service for people aged 16 upwards to include specialist young people and mediation trained workers will support the council's corporate parenting responsibility and supports the council's aims to prevent homelessness and promote programmes of resettlement and enable people to live independently.
8. The new outreach/floating support service will support individuals aged over 16 who are in housing crisis. The service will work slightly more intensively with people for shorter periods of time involving more flexible use of technology. Once immediate issues have been managed, support will taper off over a period of up to six months. All clients will receive an initial face to face assessment, where a package of support will be agreed.
9. Accommodation based support is currently offered at two premises in Hereford, Pomona Place and Bridge House, with additional dispersed properties in the community totalling 35 units. The service is transitional and supports people who are in housing crisis to develop the skills needed to manage and sustain their own tenancy in the future. Support includes the promotion of self-care, development of financial and domestic skills and access to training or employment.

10. Accommodation based support is available only to single adults. People accommodated may have experienced trauma and/or adverse childhood experiences and will often have multiple and complex vulnerabilities. The service is for people who are homeless or threatened with homelessness and who may have a priority housing need, and it is likely people referred to the service may be known to a number of agencies, including the police / probation, drug and alcohol recovery services, mental health services and adult social care. They may have been excluded from previous accommodation and be used to sofa-surfing and sleeping rough.
11. Referrals to the accommodation service will continue to be made exclusively by the Councils Housing Solutions Team (HST)
12. The accommodation based service operates a waiting list. Since the start of the current accommodation contract 175 individuals have been referred to the service. All people referred into the service will be in housing crisis. Utilisation is generally at 96%.
13. The accommodation based service has been required to support a higher proportion of people with multiple complex vulnerabilities. Since the start of the current accommodation contract 76% of people accommodated have been supported with a combination of 2 or more of the following factors- diagnosed mental health issue, offending behaviour and/or substance use and 53% of people have been supported with all three.
14. The need for housing related support services generally exceeds supply. As of March 2023 a total of 103 households were in either B&B or temp accommodation of these 53 are single individuals. In the same period Herefordshire's Priority Target Group (PTG) of people at risk of or actively sleeping rough on a regular basis has increased from 20 individuals to 36. 32 of the people on the PTG were not on last year's list and are therefore new to rough sleeping or returning to rough sleeping after a period of being accommodated.
15. The accommodation based and floating support services support people who are homeless or at risk of becoming homeless. The tailored support includes access to education, training and employment and assists with maintaining independent living and avoiding repeat homelessness. The aim is to source settled suitable accommodation and become socially involved within the community.
16. Both services align to the Project Brave Strategic approach and the Making Every Adult Matter (MEAM) approach.

Project Brave is a multi -agency partnership initiative enabling and finding solutions for very vulnerable people at risk from homelessness, substance use, mental Health, criminal experience and/or exploitation.

Project Brave is about changing lives for vulnerable people in communities. It is a creative and joined up approach by the council and its partners to fulfilling their public duties to those who are most vulnerable. With the ambitious but earnest intent to eradicate high risk homelessness in Herefordshire. It recognises that homeless people need homes and sets out to find those homes and support people to live in them.

Making Every Adult Matter (MEAM) supports local areas across the country to transform services and systems to directly improve the lives of people facing multiple disadvantage.

People facing multiple disadvantage experience a combination of problems including homelessness, substance misuse, contact with the criminal justice system and mental ill health.

17. The services will be commissioned using an outcome focused approach and providers will select their own delivery model. Models will need to ensure that accommodation is secure and that support can be delivered cost effectively. These and other factors will tend to involve

providers using larger premises which concentrate units of accommodation, often in city centre locations.

18. The support services will be procured via a single tender with two separate lots each having a specific focus. Approaching the market in this way supports competitive tendering and provides opportunities for new partnerships to develop.. Contracts for each lot will be as flexible as possible allowing for additional investment should it become available or for funding to be withdrawn if needs change.

Community impact

19. The Children and Young People's Plan for Herefordshire sets out the vision to ensure that "the children and young people of Herefordshire have a great start in life and grow up healthy, happy and safe within supportive family environment." Where a young person has become a looked after child and then care leaver the council has the duty to meet their needs as the corporate parent.
20. The term 'corporate parent' means the collective responsibility of the council, elected members, employees, and partner agencies, for providing the best possible care and safeguarding for children who are looked after by the council. Being a good corporate parent means we should; accept responsibility for children in the council's care; make their needs a priority; and seek for them the same outcomes any good parent would want for their own children.
21. The services contribute to achieving the council's priority to 'Strengthen communities to ensure everyone lives well and safely together". The joint strategic needs assessment, [Understanding Herefordshire](#) includes data on people who are homeless and threatened with homelessness and the incidence of substance misuse and mental health need. The service contributes towards reduced hospital admissions and minimises need for temporary accommodation under statutory duties placed on local authorities under the Housing Act 1996 and Homelessness Reduction Act 2017.
22. Services will be aligned to ensure that people receive additional support from external providers, where particular risks are identified to people's health. This will include input from substance misuse recovery services and mental health providers.
23. The ongoing provision of these services will continue to support the agreed priorities in Herefordshire's health and wellbeing strategy, including mental health and wellbeing.

Environmental Impact

24. The environmental impact of this proposal will be considered through each service specification and will include appropriate requirements on the contractor/delivery partner to minimise waste, reduce energy and carbon emissions and to consider opportunities to enhance biodiversity. This will be managed and reported through ongoing contract management.
25. The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

Equality duty

26. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to –

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
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 policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.
28. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine 'protected characteristics' (age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). In particular, the council must have 'due regard' to the public sector equality duty when taking any decisions on service changes.
29. An Equality Impact Assessment (EIA) can be found at Appendix 1. This decision is not expected to have a detrimental effect on any groups of people with protected characteristics. The creation of this new floating support/outreach service will include provision for vulnerable care leavers and it is expected this will have a positive impact on young people and disabled people, particularly people with mental health needs.

Resource implications

30. The cost of the housing related support service is £152,832 per year (£675,008 for the 53 month contract duration).
31. The cost of the accommodation based support service will remain at the current contract value of £265,524 per year (£1,062,096 for the 48 month contract) for support within a minimum of 35 units of accommodation which is consistent with current funding levels.
32. This type of supported housing provision typically draws on several sources of funding. Core rent usually covered by Housing Benefit (HB) meets the immediate housing costs and it is anticipated that costs of intensive housing management (IHM) can also be met through HB, subject to individual applications.
33. The council's commissioned spend is for the direct support of vulnerable people, managing risk and ensuring appropriate move on and represents only part of the value of the accommodation based service to the provider, which is composed as per the table below. This relates to the period 2022/23 and the precise balance between the three sources of funding inevitably varies. The council does not underwrite the other sources of funding to the provider.

Income source	Cost per year	%
Core rental income (2022/23) – usually met by Housing Benefit	£148,538	18.89%
Intensive housing management income (2022/23) – usually met through housing benefit	£372,243	47.34%
Yearly contract cost of commissioned support	£265,524	33.77%
Totals	£786,305	100%

34. The contracts will provide options to terminate early in a variety of circumstances.

Revenue or Capital cost of project (indicate R or C)	2024/25	2025/26	2026/27	Future Years	Total
Lot 1 (R) Accommodation based housing related support service	154,889	265,524	265,524	376,159	1,062,096
Lot 2 (R) Housing related floating support service	152,832	152,832	152,832	216,512	675,008
TOTAL					1,737, 104

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2024/25	2025/26	2026/27	Future Years	Total
Base budget	307,721	418,356	418,356	592,671	1,737,104
TOTAL					

Revenue budget implications	2024/25	2025/26	2026/27	Future Years	Total
Revenue Budget	307,721	418,356	418,356	592,671	1,737,104
TOTAL					

Legal implications

35. The Council has statutory responsibilities and duties pursuant to The Homelessness Reduction Act 2017 to prevent homelessness and relieve homelessness, to intervene at earlier stages to prevent homelessness in the area and provide homelessness services to all those affected.
36. The Council must also have regard to the parenting principles as set out in s1 of the Children and Social Work Act 2017 when exercising its functions in relation to looked after children and care leavers (Corporate Parent principles).
37. If the recommendation is not approved then there would be no provision of this type of support service operating in Herefordshire. Both contracts support vulnerable individuals with significant needs who are homeless or at risk of homelessness and forms part of the council's approach to preventing and relieving homelessness. The contract also supports the council to fulfil its duties under The Homelessness Reduction Act 2017 and the council's commitment to its care leavers as Corporate Parent.

Risk management

Risk / opportunity	Mitigation
<p>Move on options can be limited within a reasonable timeframe and landlords are often unwilling to offer accommodation unless a reference demonstrating an assessed readiness for independence has been achieved.</p>	<p>Having dispersed accommodation attached to the main 24/7 blocks will assist move on and enable people to transition in a planned way from high level support to stepped down accommodation with low levels of support available.</p>
<p>TUPE may apply as such there is a risk that any new provider may be unwilling to take on the contract due to potential unknown costs resulting from a TUPE situation.</p>	<p>Information related to the potential for TUPE to apply will need to be included in the ITT. Anonymised information relating to staff job roles, hours worked and costs would need to be gathered and shared as part of tender opportunity so potential providers were briefed and able to risk assess potential liability and costs.</p>
<p>Whilst there is often no assessed adult social care need providers may feel unable to adequately and safely safeguard people, particularly those individuals with complex emotional and/or behavioural issues, resulting in some refusals to accommodate. This problem becomes even more challenging if there is a history of rent arrears, or socially unacceptable behaviours</p>	<p>The service will be designed to ensure that people receive additional support from external providers, where particular risks are identified. This will include input from recovery and mental health providers, where appropriate, such collaboration will be co-ordinated into pathway plans.</p>
<p>Current supported accommodation provision places large numbers of people together in one locations which can obstruct recovery and makes instances of ASB more likely.</p>	<p>Development of a trauma informed support service would provide people accommodated with specialist support from high-quality trained staff who can manage and de-escalate complex challenging behaviours</p>
<p>A new provider if sourcing additional accommodation from existing stock or acquisition will have to consider timescales for decanting existing tenants and/or carrying out alterations to change the use of existing accommodation.</p>	<p>An extended mobilisation period is proposed to allow a provider to manage the issue of providing new accommodation and/or arranging the lease on the existing buildings with the landlord.</p>
<p>The contract is significantly dependent on Housing Benefit covering the Intensive Housing Management costs as it contributes to around 47% of the overall annual value of the service to the provider</p>	<p>The growing complexity of people accommodated will lend itself to the provider being able to demonstrate the person being accommodated requires care, support and/or supervision and that this is being delivered and this in turn will support a claims for Intensive Housing Management costs.</p>

38. Any risks have been appropriately identified and recorded, where required they will be escalated to senior officers.

Consultees

39. Engagement is ongoing with key stakeholders including current providers to gain their view on development opportunities for the services. Engagement with people with lived experience of homelessness has also been carried out, both in face to face meetings and via surveys. The key findings from the engagement activities will inform the development of the service specifications

40. A market engagement exercise is planned where views on delivery models, and types of accommodation will be sought. Once collated these views will also shape aspects of the proposed services as well as the commissioning approach.

41. A political group consultation was carried out on 5th July 2023, questions were asked in relation to:

- Numbers of veterans that were known to be rough sleeping currently,
- Pressures on accommodation provision in relation to delivery of this contract,
- Risks around ending the contracts in relation to any gap in service provision.
- Additional funding opportunities.
- Tenancy preparedness and life skills for people supported.
- Research into other local authority areas and learning from best practice
- Identification of duplication and streamlining of services is positive.
- How the service links with children's and adults services

All questions were answered during the course of the briefing and no changes to the decision to be taken were required.

42. As the procurement process is concluding, detailed engagement will take place with current users of accommodation based and floating services. This will support and inform the mobilisation of services by providers and manage the safe transfer and potential relocation of accommodation.

Appendices

Appendix 1 Equality Impact Assessment

Background papers

None identified

Report Reviewers Used for appraising this report:

Please note this section must be completed before the report can be published		
Governance	Sarah Buffrey	Date 13/07/2023
Finance	Wendy Pickering	Date 07/07/2023

Legal	Emma-Jane Brewerton	Date 14/07/2023
Procurement	Lee Robertson	Date 23/06/2023
Risk	Jo Needs	Date 20/06/2023

Approved by	Hilary Hall	Date 14/07/2023
-------------	-------------	-----------------

Please include a glossary of terms, abbreviations and acronyms used in this report.