

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	12 th July 2016
Report of:	Andrew Round, Interim Executive Director - Place
Subject/Title:	Strategic Housing: Housing Related Support Procurement
Portfolio Holder:	Councillor Ainsley Arnold, Housing and Planning

1. Report Summary

- 1.1. Housing is a major determinant of health and well-being. Access to decent, sustainable and affordable housing is critical to enable people to maintain their social and support networks as well as their independence. As a complete wraparound service, the provision of housing related support can contribute to efficiency savings as well as achieving the policy aspirations of integration and prevention.
- 1.2. Housing related support projects successfully work to provide a preventative approach to avoid more intense and costly crisis intervention. The focus of housing related support is in enabling and supporting the resident to 'do things for themselves' and having control over how their support is delivered. It can be delivered in a number of different ways. It can either be over an agreed long-term or provided for temporary periods.
- 1.3. Essentially, housing related support is to develop and sustain an individual or family capacity to live independently. It covers a wide range of activities and behaviours, including assistance with life skills; budgeting; maintaining a tenancy; providing advice and support to arrange a repair and helping people to understand the consequences of their actions, for example getting along with their immediate neighbours and wider community and prevent longer financial implications for associated social care provision.
- 1.4. To support a more integrated and flexible programme of housing related support, and as part of the contribution to budget saving of £8.651m, Adult Social Care submitted a report to Management Group Board to transfer the commissioning responsibility to Strategic Housing on 20 January 2016.
- 1.5. As such, strategic Housing have successfully worked with Adult Social Care in taking over the commissioning responsibility for the current period of 2016/17 and are now seeking to procure new services beyond 2017/18, with a contract value of £958,772.09 per year, a budget currently held by Adults, which will be transferred to Strategic Housing as soon as possible.

2. Recommendations

- 2.1. To provide approval to the Strategic Housing Manager to procure a new Housing Related Support service for a period of 3 years, with an option for a further 2 years, as from 2017/18.
- 2.2. In addition, in the interests of efficiency, agree to delegate authority to the Interim Executive Director of Growth & Prosperity, made in consultation with the Portfolio Holder for Housing and Planning; Director of Legal and Executive Director of People to procure and enter into any contract to secure effective delivery of support services for qualifying residents as outlined within this report.

3. Other Options Considered

- 3.1. A range of options has been devised for consideration:

- 3.2. **Option 1: Commission a like for like service**

Commission and seek to continue the equivalent housing related support services, with current client groups, on block gross contract accessing current accommodation services, assuming the current accommodation remains available from the current registered social landlords and care providers. While this may seem to have the benefit of retaining service continuity and stability within providers, however this option would fail to address the issues identified by the previous remodelling and review of services as set out in this report, leaving inequitable provision across the Borough

- 3.3. **Option 2: Stop funding HRS projects**

While there is no statutory duty to provide housing related support in all its forms, the Council could cease funding of this service. However, ceasing funding would result in significant issues for individuals (including young people), families, and communities (increasing street homelessness) and increased financial and resources pressure on the Council and our strategic partner organisations', together with an impact on our statutory duty both under the Care Act 2016 in promoting wellbeing and Housing Act 1996 (as amended by Housing Act 2002) in homelessness prevention. It is therefore also likely to increase pressures elsewhere within the Council.

- 3.4. **Option 3: Commission reviewed, targeted housing support services, realising long term budget savings**

As the preferred option, this will take into consideration the outcome of the service review, the emerging key principles in the scope of a new housing related support, which is an essential programme for Cheshire East residents' with qualifying support needs, and a prevention and early intervention programme which ultimately seeks to reduce associated care

costs and use of expensive alternatives, for example in the case of homelessness expensive B&B provision.

4. Reasons for Recommendation

- 4.1. Housing related support is the provision of short term hostel accommodation or maintains independent living through support at their home. While the original grant funding has been directly withdrawn nationally, local authorities receive an indicative allocation as part of the revenue support grant, in which distribution of funding is made through the appropriate commissioning groups.
- 4.2. While nationally commissioning local authorities have sought to transform housing related support services while making significant budgetary savings, there is increasing evidence that the use of locally developed innovative methods in delivery is becoming increasingly localised, with different models emerging in different localities. As such, Strategic housing will seek to promote such innovation in the future delivery of housing related support as an essential preventative service.
- 4.3. The primary outcome of housing related support projects is to prevent homelessness and / or repeat homelessness and improve the ability of residents with qualifying support needs to live independently within the community. Key to the achievement of these outcomes is the ability of services to work with service users to gain and / or maintain suitable accommodation. Services can offer a range of support activities including, financial capability / budgeting, maximising income (including Welfare Benefits), liaising with landlord regarding tenancy agreement, maintaining physical and / or mental health, preventing harm, improving opportunities through education, training and employment.
- 4.4. To ensure a clear pathway for local residents with support needs into housing related support services', Adult Service implemented the Single Point of Access in 2013/14 – which is a managed gateway administered by Strategic Housing. The aim is to provide a first point of contact and assessment, managing referrals into services and to provide a measurable output.
- 4.5. Following recommendations from an independent review, the current delivery of service is now managed by Strategic Housing, having obtained the commissioning function from Adult Services for the period 2016/17. The provision is divided into Lots of Accommodation based and Floating Support (see 9.1), with a contract value of £1,075,783.
- 4.6. During the past 3 years, over 4,000 people have sought to access housing support services which include;
 - Single homeless
 - Homeless families
 - Young People / care leavers
 - People affected with drug and alcohol misuse
 - People with disabilities

- Older people with support needs
 - Teenage parents
 - Offenders or people at risk of offending
 - People affected with mental health issues
 - Resettlement
- 4.7. A number of the current services are due to end in March 2017. As such, to enable Strategic Housing to deliver a strategically relevant and value for money housing related support service, it is proposed to work with all appropriate stakeholders; elected members and service users to procure a redesigned programme for 2017/18 and beyond.
- 4.8. In working to develop an approach for the future, it is increasingly acknowledged nationally that taking a person centered approach should not be constrained by a single policy area; service departments; specialist role or area of statute. Indeed, the governments social policy initiative for the 'Troubled Families' programme of dealing with complex needs is now being considered as the preferred approach for implementing wider generic support.
- 4.9. Therefore, in the shaping of a new housing related support programme, Strategic Housing are seeking to engage with stakeholders and service users in working together in designing an approach which seeks to support national policy, but shaped by the complex needs for people with support needs at a local level.
- 4.10. While Strategic Housing are at the project scoping stage of the procurement, proposed changes have been developed based on evidence of needs and a consideration of services which assist in preventing pressure on existing statutory services, prioritising services for qualifying residents in need of support and seeking to work with potential providers in instigating new and innovative ways for future provision.

5. Background/Chronology

- 5.1. Housing related support services are aimed at individuals and families who may be homeless and/or supported to develop and sustain a capacity to live independently. As such, housing related support covers a wide range of activities and behaviours, including assistance with life skills; budgeting; maintaining tenancies; arranging repairs and helping people to understand the consequences of their action.
- 5.2. It is effectively an early intervention and preventative programme, , seeking to support the health and wellbeing of Cheshire East residents with support needs, preventing them from falling into further crisis and reduces potential demand for more expensive social care, health services and for statutory homelessness services.
- 5.3. The Council have a number of contracts with different local and national service providers, generally social housing providers and third sector organisations, delivering a range of housing related services. Historically, this had been commissioned and contract managed by Adult Services. As part of overall cost savings, the services provided have experienced a budget saving realignment during 2015/16, with a number of services being

withdrawn or reduced capacity with all remaining services being subject to change in commissioning and contract management to Strategic Housing as from 2016/17.

- 5.4. With the current provision of services being subject to contract end in March 2017, it is necessary to commence the procurement of new services from 2017/18 and beyond.
- 5.5. To inform and facilitate the commissioning of strategically relevant and services that provide value for money, Strategic Housing have undertaken a review of housing related support services, since the implementation of Single Point of Access, the referral gateway (see 9.2).
- 5.6. The review findings indicate that single homeless and people with mental health issues represent the greatest demand on services, across both accommodation and floating support. However, clearly evident is the complexity of need, which may not be identified directly by the existing models of referral gateway. As such, considerations of service user pathways need to be fundamental to a new service specification design.
- 5.7. To support the review and pending procurement exercise, and working with the guidance and support of Corporate Procurement, Strategic Housing have commenced initial market engagement; service user consultation and research of good practice. Which all indicate a need to design services based upon successful outcomes for the service users and be clearly linked to the Councils' Health and Wellbeing agenda.
- 5.8. Using an evidence based commissioning model of assessing needs, the planned procurement of new housing related support will ensure services are flexible, providing a more personalised response to need, reducing dependency, avoiding duplication with other services across the Council and meeting local priorities such as reducing admissions to institutions.
- 5.9. This approach will ensure that those with the most complex needs, who receive a range of services, will be supported into independence where this is achievable or will have a suitable service in place to support them to maintain accommodation and prevent homelessness. People with lower needs will now receive short term, outcome focused and targeted support.
- 5.10. A focus will also be on people who have been in homeless services for some time to offer them sustainable support and accommodation packages. We want to significantly reduce the numbers of people who have unplanned moves between homeless services and ensure people have a suitable service which adequately meets their needs.
- 5.11. To ensure appropriate measures are in place for TUPE implications for current providers, Strategic Housing have been working with providers in the collation of staffing information to minimise the effects of relevant decisions during the procurement process.

- 5.12. The Project Plan [see 9.3] and summary in Table 1, details steps to be undertaken for the delivery of a successful outcome for both the interim contact management arrangements and timescale for the procurement exercise for a new contract as from April 2017.

Table 1: Project Plan Steps {Summary}

Key Deliverable	Description / What	Why	Timescale
Scope	Current Position Assessment	▪ Review available demand intelligence	Mar-Apr 16
	Commissioning Plan	▪ Collation of relevant open procurement documentation	
	Procurement: Option Appraisal	▪ High level assessment of future service design	
Financial	Budget setting	▪ Transferred budget for 2016/17 / Agree budget for 2017/18	Mar-Apr 16
Current Contracts	Contract variations	▪ Amendment to contract management / payment arrangements	Mar-Apr 16
	Contract management	▪ Function of managing contracts for 2016/17	
Consultation	Market Engagement Events	▪ Initial testing the market	Mar – July 16
	Stakeholder	▪ Formal consultation period with relevant stakeholders	
	Service Users	▪ Under the direction of current providers, link with service users to obtain experiences	
Approval Process	CEC steps for internal approval	▪ Democratic approval process	May – July 16
Procurement Stage 1	Procurement Engagement	▪ Commence work with Corporate Procurement	May 16 / Mar 17
	TUPE	▪ Initial intelligence gathering / implications	Apr – May 16
Procurement Stage 2	Project management	▪ Practical arrangements for project managing the process	Mar 16 / Mar 17
Procurement Stage 3	Preferred option	▪ Finalise / agree service delivery option	July 16
Procurement Stage 4	Specification design	▪ Working with Corporate Procurement in shaping specification / procurement method	July – Aug 16
Procurement Stage 5	PQQ / ITT	▪ Formal procurement process / negation / tender award	Dec 16 / Jan 17
Transition	Handover	▪ TUPE arrangement / formal handover	Jan – Apr 17

6. Wards Affected and Local Ward Members

6.1. All

7. Implications of Recommendation

7.1. Policy Implications

7.1.1. Housing related support projects support a wide ranging policy agenda for Cheshire East Council's and our partner agencies, including;

Cheshire East Council Resident First	(Particularly) <ul style="list-style-type: none">▪ Our local communities are strong and supportive▪ People have the life skills and education they need in order to thrive▪ People live well and for longer
Cheshire East Council 4 Year Plan	(Particularly) Communities: Helping residents to help themselves and each other. Supporting volunteering and minimising antisocial behaviour Health: Safeguarding the vulnerable and providing appropriate care that helps people live well and for longer.
Cheshire East Health and Wellbeing	<ul style="list-style-type: none">▪ Joint Strategic Needs Assessment▪ Joint Health and Wellbeing Strategy
Ageing Well in Cheshire East	A Plan for People Aged 50 and Over 2012 – 2017
Cheshire East Vulnerable and Older People's Housing Strategy	A multi agency strategy to the provision of care and support
Cheshire East Homelessness Strategy 2014 - 2017	Providing direction and advice in the provision of multi agency approach to early intervention and prevention for homelessness

7.2 Legal Implications

7.2.1 In accordance with Part 7 of the Housing Act 1996 (as amended), the Council has certain statutory responsibility towards people who are

homeless or threatened with homelessness.

- 7.2.2 The Homelessness (Priority Need for Accommodation) (England) Order 2002 extended the categories of those who may be considered to be in priority need in assessing entitlement to accommodation by the housing department. The categories now include, but are not limited to:
- 16 and 17 year old young people who are not relevant care leavers
 - Homeless 18-20 year olds who were in care at 16 or 17 except for those in higher residential or further education requiring vacation accommodation
 - Homeless people over the age of 21 who are vulnerable as a result of being in care in the past
- 7.2.3 The Council has a duty under Section 2 of the Care Act 2014 to provide or arrange for the provision of services, facilities or resources, or take other steps, which is considers will contribute towards preventing or delaying the development of adults in the area of needs for care and support and reduce the needs for care and support of adults in its area.
- 7.2.4 The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) will apply as there will be outgoing service providers. Strategic Housing has engaged with the providers to explore the initial implications. Strategic Housing will ensure all procurement decisions are taken in accordance with the Council's relevant policy and procedures relating to TUPE
- 7.2.5 The procurement process will be carried out in accordance with the Public Contracts Regulations 2015 and with the Council's Contract Procedure Rules.

7.3 Financial Implications

- 7.3.1 Both nationally and locally, it is evident that seeking to support Independent living through housing related support projects will be an increasingly important priority for local authorities in years to come, providing value for money. The pressure on services is rising, partly as a result of an ageing population and increased incidents of homelessness. It is vital that councils tackle the prevention agenda and develop their ability to keep people independent for longer.
- 7.3.2 The recurrent gross budget for the housing related support projects is £958,772.09 per year, a budget currently held by Adults, which will be transferred to Strategic Housing as soon as possible.
- 7.3.3 Initial market engagement has clearly indicated that potential providers are experiencing a period financial uncertainty in terms of short to medium terms business planning. As such, the preferred procurement plan, and to increase interest for potential providers, we are working towards a contract for a 3 year period, with options for an additional 2 years.

7.4 Equality Implications

- 7.4.1 The provision of housing related support has a direct impact on all residents of Cheshire East, who may or may not seek to access services. Therefore, a corporate Equality Impact Assessment has been completed (see 9.4).

7.5 Rural Community Implications

- 7.5.1 None

7.6 Human Resources Implications

- 7.6.1 There are no Human Resource implications for Cheshire East Council. However, as this report has outlined [5.11], there would be TUPE implications for current providers.

7.7 Public Health Implications

- 7.7.1 Strategic Housing has continually worked with Public Health commissioning managers in to ensure decisions are made with appropriate intelligence of need. To this extent, we have successfully jointly commissioned with Corporate Public Health a Recovery Project. This vital provision of support within the Borough has allowed us to redesign current and future housing related support with an improved focus on wider complexity of need.

7.8 Other Implications

- 7.8.1 To ensure procurement decisions are made effectively and in accordance with value for money, Strategic housing have also directly consulted with Children and Young People Services and Adult Social Care, detailing our planned procurement, whether there is a duplication of provision, or seek opportunities for possible joint commissioning.

8. Risk Management

- 8.1 Appropriate governance arrangements have been put in place to manage the procurement process, including a cross Directorate project team and led by Strategic Housing Manager.
- 8.2 A risk plan (see 9.5) has been devised to identify and mitigate a range of risks and is being monitored by the project team.

9. Access to information / Bibliography

- 9.1 [List of current projects and location](#)
- 9.2 [Single Point of Access \[Information\]](#)

9.3 [Project Plan](#)

9.4 [Equality Impact Assessment](#)

9.5 [Risk Management Assessment](#)

10. Contact information

Contact details for this report are as follows:-

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