

Cabinet

Date of Meeting: 08 October 2019

Report Title: Recommissioning of Housing Related Support Services

Portfolio Holder: Cllr Nick Mannion – Portfolio Holder for Environment and Regeneration

Senior Officer: Frank Jordan – Executive Director - Place

1. Report Summary

- 1.1. Cheshire East Council currently commission Housing Related Support Services. These include accommodation based and floating support services provided directly to people in their own homes. In addition to this we also commission a diverse range of services to meet the needs of some of our most vulnerable individuals. These services are in addition to the emergency homelessness provision provided in both Macclesfield and Crewe.
- 1.2. These services are provided for people at times of crisis and also for those who require further ongoing support. They provide a stable environment for people who have previously led chaotic lives and support them to ensure that they are ready to successfully manage a tenancy and eventually live independently.
- 1.3. The current Housing Related Support contracts run from 1st April 2017 until 31st March 2020. Although there is an opportunity to extend these contracts for a further 2 years, there have been changes within the environment in which we are operating which have instigated a need for review. Following consultation with partners, current providers, potential providers and service users on the whole, the consensus is that recommissioning at this point will provide more targeted services to meet the current and future needs of the residents of Cheshire East.
- 1.4. Strategic Housing have taken this opportunity to review the current services alongside short term commissioned services and are looking to streamline

the contracts and include all related services as part of the proposed tender process.

- 1.5. The new services would have an initial 3 year contract with the option to extend by one year on two occasions making the maximum term of the contract 5 years.
- 1.6. The Housing Related Support Contracts are funded within Housing's base budget which is £988,000, however additional services, particularly aimed at rough sleepers and people with multiple needs, have been commissioned using short term Government funding. We are therefore looking to consolidate all services within the available budget to ensure future sustainability of these services.

2. Recommendations

2.1. That Cabinet:

- 2.1.1. Agrees to the recommissioning of the services as outlined within this report using an open procurement process for an initial term of 3 years from 1st April 2020 with the option to extend for up to a further 2 years.
- 2.1.2. Delegates authority to the Executive Director of Place in consultation with the Portfolio Holder for Environment and Regeneration to award the contracts following the procurement process.

3. Reasons for Recommendations

- 3.1. These services are required to support the Council's delivery of statutory housing services. For many people in crisis the provision of accommodation could not be sustained without the support services that are an integral part of the offer.
- 3.2. These services meet the key aims outlined in the Council's Homelessness Strategy.

4. Other Options Considered

- 4.1. Extending the current contracts for a further 12 months, however the environment in which we are working and funding has changed since the contract was originally awarded and therefore the existing arrangements are no longer meeting the needs of our service users.
- 4.2. Do nothing, however this would lead to all services ceasing on 31st March 2020 at the end of the current contracts. This would leave approximately 30 people street homeless without support, 100 without accommodation

that would need to find alternatives or face rough sleeping and a further 125 people without the support required to maintain their tenancy.

5. Background

5.1. The current services commenced in April 2017 following a full review and are outlined below along with details of the Rough Sleeper Initiative Services and the proposed new services to be implemented from 1/4/20. The provision is commissioned in units and this level of provision has to be maintained during the contract period.

5.2. Over the life of the current contract it has become apparent that the needs of people accessing the service have become more complex, particularly regarding substance misuse and mental health issues.

5.3. Following analysis of the usage of current services it has become clear that some services are underutilised and other services are overstretched.

5.4. Consultation has taken place including a market testing event which was held on 22nd July 2019 with 47 partners and providers in attendance. Following consultation the following lots are proposed to be included in the specification for the contract:

<i>Proposed Lots - North</i>	<i>Units</i>
Floating Support	55
Complex/25 & Over/Mental Health Provision	30
Under 25/Fast Track/Women & Families	20
No First Night Out/24/7 Emergency Access Service	12
Total	117

<i>Proposed Lots - South</i>	<i>Units</i>
Floating Support	70
Complex/25 and Over/Stat Beds	27
Under 25/Fast Track/Women & Families	18
No First Night Out/24/7 Emergency Access Service/Severe Weather Emergency Provisions	24
Total	139

5.5. In order to continue to provide a pathway of services to enable people to be as independent as possible as well as the change in provision, staffing changes are required in order to run both the housing related support and rough sleeper services. These posts have previously received short term

funding but are important to the success of the services. It is proposed to cover the cost of these posts within the existing base budget.

5.6. The proposed timetable for the procurement and contract award are as follows:

Action	Timeframe
Development of specifications	29 th July – 11 th September 2019
Request TUPE information	5 th August due 16 th August 2019
SMT/CLT approval	19 th September 2019
Cabinet consideration	8 th October 2019
Published on the Chest	16 th October 2019
Tenders Close	4 th December 2019
Interviews	11 th – 13 th December 2019
Tender Award	3 rd January 2020
Mobilisation Period	4 th January – 31 st March 2020
Contract Commencement	1 st April 2020

6. Implications of the Recommendations

6.1. Legal Implications

6.1.1. These services are required to support the Council's delivery of statutory housing services outlined in the Housing Act 1996 Part VII as amended by the Homelessness Reduction Act 2017. Under the Homeless Reduction Act, all eligible people who are found to be homeless or threatened with homelessness are entitled to tailored support from the housing authority, regardless of priority need and intentionality. Support to prevent homelessness has to be available to everyone regardless of local connection. In addition to this the authority has to provide interim accommodation for all people found to be homeless and in priority need.

6.1.2. Existing contracts expire on 31st March 2020. A procurement process in accordance with the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules will need to be undertaken due to the proposed values of the contracts.

6.1.3. The Council will also need to ensure that the requirement of TUPE legislation is met, as there is a potential for provider staff to transfer in accordance with TUPE regulations.

6.2. Finance Implications

6.2.1. The value of the contract is in the region of £720k per annum. This is within the current budget for the service and leaves a contingency for additional services or movement in the tender price. The balance will be used to cover the additional staffing within the council.

6.2.2. This funding makes up a part of the overall funding of the services. Providers will be able to claim housing benefit for most of the accommodation based services and also residents will pay service charges to cover things such as electricity.

6.3. Policy Implications

6.3.1. These services are essential to meet the 4 priorities of the Council's Homelessness Strategy which are:

- Enable more people to remain in their own home
- Help people who are homeless to secure appropriate affordable accommodation
- Provide interventions to prevent rough sleeping
- Ensure adequate support is in place to help people maintain and sustain accommodation

6.4. Equality Implications

6.4.1. An equality impact assessment has been undertaken and is available on request.

6.5. Human Resources Implications

6.5.1. Funding has been put in place to make permanent the posts outlined in the report.

6.5.2. TUPE is likely to apply to some of the services being re-procured.

6.6. Risk Management Implications

- 6.6.1. Lack of interest in the tender from the market. Soft marketing testing has been undertaken and considerable interest has been shown in the tenders so this is low risk.
- 6.6.2. Budget available for the services. The budget has been set in line with the costs of comparable services and housing benefit will be available for the majority of accommodation based services which has been taken into account when developing the proposed tender values.
- 6.6.3. Change in benefit regulation regarding supported housing. Central Government are looking at the funding of supported housing across the country. Any changes would have to be subject to a transition period and the Council would work with providers to ameliorate against any impact.
- 6.6.4. Break clauses will be included within the contract and payments to providers can be withheld if the key performance indicators within the contract are not achieved.

6.7. Rural Communities Implications

- 6.7.1. The specifications will ensure that floating support is available throughout Cheshire East.
- 6.7.2. Although it is impossible to provide accommodation in all rural areas the accommodation will be spread throughout the whole of Cheshire East in order to keep people close to their communities.

6.8. Implications for Children & Young People/Cared for Children

- 6.8.1. Services will be available for all households including families with children and care leavers.

6.9. Public Health Implications

- 6.9.1. Part of the role of supported housing provision is to help households to live healthier lives.

6.10. Climate Change Implications

- 6.10.1. The Council has committed to becoming Carbon neutral by 2025 and to encourage all businesses, residents and organisations in Cheshire East to reduce their carbon footprint.
- 6.10.2. Provision of services will be split down into geographical areas across the Council's footprint which will avoid unnecessary travel throughout the Borough.

7. Ward Members Affected

- 7.1. All ward members

8. Consultation & Engagement

- 8.1. A series of meetings have been held with service users, current providers, partners and staff. A market engagement event was held on 22nd July including staff, current providers and prospective providers. This event was advertised on the Chest and via the CVS.
- 8.2. Questionnaires were circulated for feedback and a summary of the key points are included in this report.

9. Access to Information

- 9.1. Background papers are available on request

10. Contact Information

- 10.1. Any questions relating to this report should be directed to the following officer:

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