

<b>DECISION-MAKER:</b>	<b>COUNCIL</b>		
	<b>CABINET</b>		
<b>SUBJECT:</b>	<b>PROCUREMENT OF HOUSING RELATED SUPPORT FOR YOUNG PEOPLE AND VULNERABLE ADULTS</b>		
<b>DATE OF DECISION:</b>	<b>19 OCTOBER 2016</b> <b>19 OCTOBER 2016</b>		
<b>REPORT OF:</b>	<b>CABINET MEMBER FOR HOUSING AND ADULT CARE</b>		
<b><u>CONTACT DETAILS</u></b>			
<b>AUTHOR:</b>	<b>Name:</b>	<b>Sandra Jerrim</b>	<b>Tel: 023 8029 6039</b>
	<b>E-mail:</b>	<b>Sandra.jerrim@southampton.gov.uk</b>	
<b>Director</b>	<b>Name:</b>	<b>Stephanie Ramsey</b>	<b>Tel: 023 8029 6923</b>
	<b>E-mail:</b>	<b>Stephanie.Ramsey@southampton.gov.uk</b>	

#### **STATEMENT OF CONFIDENTIALITY**

Confidential appendix 1 contains information deemed to be exempt from general publication based on Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules. In applying the public interest test this information has been deemed exempt from publication due to confidential sensitivity.

#### **BRIEF SUMMARY**

This report seeks approval of recommendations for the future procurement of Housing related Support (HRS) for young people and vulnerable adults. The recommendations are put forward following a full and detailed review. The findings from the review identify the need to move forward with commissioning new services. It has also identified a number of work areas that should be taken forward over the next 2 years.

#### **RECOMMENDATIONS:**

##### **COUNCIL**

	(i)	To approve the recommendation to proceed with a procurement of a range of housing related support (HRS) services for young people and single adults.
	(ii)	To delegate authority to the Director of Quality & Integration to carry out a procurement process for the provision of HRS services as set out in this report and to enter into contracts in accordance with contract procedure.
	(iii)	To delegate authority to the Director of Quality & Integration following consultation with the relevant Cabinet Members to decide on the final model of commissioned services for HRS and all decision making in relation to this re-commissioning.

<b>CABINET</b>		
Having complied with paragraph 15 of the Council's Access to Information Procedure Rules.		
	(i)	To support the recommendation to proceed with a procurement of a range of HRS services for young people and single adults.
	(ii)	Subject to Council approval for the procurement exercise, to delegate authority to the Director of Quality & Integration to carry out a procurement process for the provision of HRS services as set out in this report and to enter into contracts in accordance with contract procedure.
	(iii)	Subject to Council agreement to the procurement exercise, to delegate authority to the Director of Quality & Integration following consultation with the relevant Cabinet Members to decide on the final model of commissioned services for HRS and all decision making in relation to this re-commissioning.
<b>REASONS FOR REPORT RECOMMENDATIONS</b>		
1.	This report is submitted for consideration as a General Exception under paragraph 15 of the Access to Information Procedure Rules in Part 4 of the City Council's Constitution, notice having been given to the Chair of the relevant Scrutiny Panel and the Public.	
2.	Reason for Urgency: The contracts relating to these services are coming to an end in April 2017, with an extension sought to June 2017. As they have already been extended to enable the reviews to take place, there is an urgency in proceeding to procurement to ensure services are in place, with appropriate contractual arrangements, within this timescale.	
3.	There is a requirement to re-commission Housing Related Support (HRS) services to comply with procurement rules as the majority of the contracts have come to an end and have already been extended. There is an opportunity to achieve efficiencies and simplify delivery and access arrangements within the current commissioning arrangements for HRS services.	
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>		
4.	<p>The review of Housing Related Support considered a number of other options which were rejected:</p> <ul style="list-style-type: none"> <li>• To commission the same services without maximising efficiencies or savings; this would not provide the most appropriate service and miss opportunities for savings.</li> <li>• To decommission some service areas (e.g. floating support, or hostel): this would achieve some savings but would not address local need whilst generating gaps in service provision. There would be impact on other services which would off-set any savings.</li> <li>• To extend all current contracts whilst working on a large scale transformation programme: whilst there are areas of best practice which could be implemented for the city this would take time to develop and an opportunity for improvement in services and realisation of</li> </ul>	

	savings would be delayed.
<b>DETAIL (Including consultation carried out)</b>	
5.	As a Council we face unparalleled challenges in reducing our costs, increasing income and managing demand for our most expensive services. We know that to improve outcomes in this climate, we have to prioritise our diminishing resources to deliver key outcomes.
6.	The review focused on outcomes for three client groups, namely for adults, young people and for older people. Young people HRS services are all commissioned services, as are the majority of single adult HRS services. Older person HRS services are a mix of both commissioned and internally provided services. This report contains recommendations relating to externally commissioned services arising from the review.
7.	The review has also taken into consideration feedback from a wide range of stakeholders through a number of different engagement approaches. There was no statutory requirement to consult as there will be no significant adverse effect on the provision of HRS to service users. The engagement ensured a wide range of key stakeholders were involved, with their views contributing and shaping the recommendations.
8.	Engagement approaches included events for key stakeholders across adults, young people and older person services. Representatives also attended landlord forums. A questionnaire was completed by service users of both adults and older person services and events were held for young people and adult services. Engagement for older person services also included discussions at the Pensioners' Forum, Supported Housing Forum and Hospital Discharge team.
9.	Representatives from the Council's Housing Strategy, Children and Families and Adult Social Care services have been involved in discussions, engagement events or project group meetings.
10.	Equality and Safety Impact Assessments have been undertaken for both adults and young person's services and have informed the recommendations. The assessments are being regularly updated to reflect any new information.
11.	Services that deliver outcomes for young people predominantly provide for the age group 16–25 years and include young parents, care leavers and those at risk of, or experiencing homelessness. HRS for single adult services are provided to those who are homeless, at risk of homelessness as well as adults with vulnerabilities arising from mental health, learning or physical disability and substance misuse. 1,700 single adults and young people were supported through commissioned HRS services in 2014/15, rising to 2,126 in 2015/16.
12.	HRS for older people is predominantly provided to individuals living in a range of designated older person accommodation as well as individuals living in their own homes.
13.	The review has considered the current provision of HRS, the requirement to make savings and what actions, if any, are needed. Information and evidence was gathered from individual service reviews, literature reviews and evidence of national best practice, engagement events, service user

	<p>feedback and a number of wider determinants such as legislation, welfare reforms, and access to specialist services and accommodation.</p>
14.	<p>A key part of the review was to identify a range of outcomes for young people and single adults. These are set out in the relevant commissioning intentions but include as a priority the areas outlined below</p> <p>For single adults:</p> <ul style="list-style-type: none"> <li>• Improved living environment, developed links with communities: social (family, friends) and purposeful (employment, training)</li> <li>• Improved confidence and self-worth and an active participant in developing their goals and achieving their outcomes</li> <li>• Skills and knowledge: improved life skills and knowledge of local services relevant to their own circumstances.</li> <li>• Behaviour: Individuals are able to resolve presenting issues, identify future risks to the security of their housing and seek timely support</li> </ul> <p>For young people:</p> <ul style="list-style-type: none"> <li>• Improvement in independent living skills through; practical skills, financial literacy and financial management skills, social skills</li> <li>• Improvement in a young person's pro-social behaviour by reducing anti-social or offending behaviour.</li> <li>• Improvements in a young person's physical, emotional wellbeing and mental health.</li> <li>• Young people achieving through participation in Education, Training and Employment and pre-tenancy accreditation.</li> <li>• Improvement in a young person's relationships with family and friends.</li> </ul>
15.	<p>A number of areas were also identified for further work over the next 2 years. This includes the need to explore the link between health and housing, the core offer for older people, the refinement of outcome monitoring and case management and the link between homelessness and substance misuse. This work will be taken forward by the Integrated Commissioning Unit (ICU) and will lead further transformation and the development of new savings proposals.</p>
16.	<p>Findings about the current provision of HRS services for single adults includes:</p> <ul style="list-style-type: none"> <li>• There continues to be a significant need in the city in relation to homelessness and individuals who require supported accommodation or support to achieve and maintain a tenancy.</li> <li>• Current services are generally well thought of and achieve good outcomes with individuals and against nationally established targets.</li> <li>• There needs to be a shift to focus more on person centred approaches where the focus is on the individual who is supported by a single transferable Support Plan.</li> <li>• There is a need to work with a wider range of accommodation providers and improve links between HRS and specialist services.</li> <li>• There is some inefficiency in the way services are configured and this presents opportunities for improvement and savings.</li> <li>• A more coordinated access route is needed to minimise voids and</li> </ul>

	<p>increase suitable options for all single adults.</p> <ul style="list-style-type: none"> <li>• There is a need to improve the support for the most complex and vulnerable adults through the use of Collaborative Assessment Panels, led by Adult Social Care. The collaborative assessment panel brings together a multi-disciplinary meeting that seeks to identify the most appropriate support for an individual who does not engage or meet current eligibility requirements for any one service.</li> <li>• Local Authorities have statutory duties to all adults in relation to safeguarding, preventing needs arising and escalating and duties to provide information and advice.</li> <li>• There is a need to examine a number of areas in more detail including, but not exclusively, the links between: <ul style="list-style-type: none"> <li>○ homelessness and substance misuse services</li> <li>○ health and housing for our vulnerable adults</li> <li>○ local offer for entrenched homeless individuals in the city.</li> </ul> </li> </ul>
17.	<p>Stakeholders and service users were not opposed to the proposals. Views were expressed about the importance of linking the provision of HRS with a wider network of support services for mental health, learning disabilities and substance misuse. This is reflected in the proposal to reinstate the use of the Collaborative Assessment Panels, led by Adult Social Care.</p>
18.	<p>Findings about the current provision of HRS services for young people include:</p> <ul style="list-style-type: none"> <li>• Progress has been made since the Ofsted Inspection in 2014 and services have been renegotiated to address gaps identified in the subsequent Action Plan.</li> <li>• The introduction of a Young People’s Panel has led to improved targeting of services to those most at need.</li> <li>• Demand is already placing pressures on services.</li> <li>• Local Authorities have a number of duties in relation to young people, in particular 16/17 year olds and care leavers who are homeless.</li> <li>• It is expected that the number of care leavers will increase, therefore there needs to be a wider range of provision with support to meet their needs.</li> <li>• There needs to be more preparation work to enable young people to be ‘housing ready’ and develop independent life skills.</li> </ul> <p>A wider range of services are needed to meet the changing situation for young people, including impact of benefit restrictions.</p>
19.	<p>During the process of engagement there were concerns raised about any possible reduction in the level of HRS services available to young people. Particular emphasis was placed in the impact any reduction in service might have on Children’s services. In response we are not seeking to reduce further the level of HRS services available to young people. Also, the development of new supported lodgings will be carried out in a planned and managed way to ensure there is no negative impact on the provision of HRS to young people</p>
20.	<p>There are significant changes relating to the future financing of HRS. The most important changes are:</p> <ol style="list-style-type: none"> <li>1. The application of a cap on Local Housing Allowance (LHA) for the rents of supported housing projects.</li> </ol>

	<ol style="list-style-type: none"> <li>2. The potential freezing of LHA rates for the next four years.</li> <li>3. The roll out of Universal Credit full service in Southampton from February 2017.</li> <li>4. The withdrawal of the automatic entitlement of Housing Benefit for 18-21 year olds (with the exception of exempt groups) which takes effect in Southampton from April 2017.</li> </ol>
21.	<p>This is not an exhaustive list and detail about the impact of some new changes are still being assessed as fresh announcements are made (for example on 15th September Government announced that the LHA cap will be applied to supported housing in 2019/20) and that the 1% rent reduction will also now be required for supported housing. Further announcements from Government about future funding beyond 2020 are still awaited and the expectation is that consultation will commence by the end of the year.</p>
22.	<p>These changes will need to be managed through the life of the contracts and providers will be required to work closely with the ICU to respond to changes as they emerge.</p>
<b>Recommendations for Housing Related Services</b>	
23.	<p>The findings from the review have informed the development of commissioning options for adults and young people. As explained earlier in this report, the review also identified the need for a more detailed review of older person services looking at gaps and the need to link with a wider more connected offer for older people.</p>
24.	<p>Recommended approach to the provision of Housing Related Support for single adults:</p> <ul style="list-style-type: none"> <li>• Continue to commission 4 hostel based homeless services providing assessment, intensive support and life skills and one dedicated alcohol accommodation service.</li> <li>• Combine a range of community based housing related support services into one flexible support service.</li> <li>• Commission accommodation based housing support service to people with alcohol related housing and support needs</li> <li>• Combine the resources across a number of separate panels and referrals pathways into a single access (Gateway) route into HRS</li> <li>• Draw on the use of Collaborative Assessment Panels, led by Adult Social Care, to ensure appropriate support to eligible and complex vulnerable adults.</li> </ul> <p>Details of the services are outlined in the 'Commissioning Intentions for Single Adults'.</p>
25.	<p>Recommended approach to the provision of Housing Related Support for young people:</p> <ul style="list-style-type: none"> <li>• Continue to commission the accommodation based support services to offer HRS services for young people, including care leavers, homeless young people and teenage pregnant mothers.</li> <li>• Develop and increase the offer of supported lodgings through a planned approach with commensurate reduction in accommodation</li> </ul>

	<p>based services as new supported lodgings become available.</p> <ul style="list-style-type: none"> <li>• Commission a smaller floating support service within other contracts to gain improvements and efficiencies</li> </ul> <p>Details of the services are outlined in the Commissioning Intentions for Young People.</p>
26.	If recommendations are supported, the procurement process will commence in mid-November 2016 following appropriate bidder events being held with providers, including the voluntary sector providers. It is envisaged this would lead to new contracts commencing on 1 July 2017.
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
27.	The current investment in Housing Related Support, which is set out in the confidential appendix, covers a range of services including bed-based accommodation and support provided to people in a range of different settings. A review of HRS has been undertaken recently which represents the first opportunity for an integrated approach to commissioning services, of which a significant proportion is from voluntary sector providers with the majority subject to contract. The model and current levels of investment reflects a long tradition and a strong local market.
28.	The work relating to HRS has progressed to the point at which we are able to proceed to procurement. The investment in the HRS contracts, which is the subject of the above recommendations, is currently invested in housing related support through a variety of funding routes for young people, single adults and older people.
<b><u>Property/Other</u></b>	
29.	There are no SCC properties within the young people and single adult HRS services. Landlords for the majority of properties relating to the provision of HRS for young people and adults are provided with the consent of the landlords. Where landlords are not in agreement for their properties to continue to be used, we will commission services requesting providers secure suitable properties to provide the service and ensure all properties meet a required quality standard.
30.	Properties relating to the provision of HRS for older people include some City Council properties. There are no implications as a result of these recommendations.
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
31.	Section 2 Localism Act 2011 and various Local Government Acts. Any procurement will be governed by EU procurement rules depending on value
<b><u>Other Legal Implications:</u></b>	
32.	The Welfare Reform and Work Act 2016 has been given Royal Assent although some parts of the Act do not come into force until April 2017 or later. It is not clear yet as to the exact implications the Act will have on HRS but there is concern that it may result in a reduction of providers which could have an adverse effect on the delivery of these proposals.

33.	When carrying out any public functions the LA must have due regard to the public sector equality duty (PSED) under the Equality Act 2010. The LA must take into account a number of factors including the need to eliminate discrimination, harassment and victimisation, advance equal opportunity and foster good relations. The service user who will benefit from HRS are likely to be protected by the PSED and the Human Rights Act 1998 which has a similar duties to the PSED. In particular the protection under Article 14 the prohibition of discrimination and Article 6 the right to respect private and family life. If the proposals are likely to breach the European Convention on Human Rights the Council will need to examine any particular facts and determine if such a breach is justified and proportionate. The Council can though take into account general economic and policy factors which have led the Council to conclude that the proposals are necessary. This though must be balanced against the impact on the service users.
34.	The LA has a statutory duty under Section 17 of the Crime and Disorder Act 1998 to have due regard to the likely effect of exercising various functions on crime and disorder and do all that it reasonably can to prevent, crime and disorder in its area.
35.	The Council has set out how it has had due regard to its equality and safety duties in its Equality and Safety Impact Assessments (ESIAs).
36.	The Care Act 2014 imposes various statutory duties on LA's when exercising Adult Social care functions to promote the individuals well-being, prevent needs arising and escalating, safeguarding and the duty to provide advice an information. Service users who are provided with HRS may have eligible unmet needs for care and support but even if they do not the LA has a discretionary power to meet individual's needs. The Act places various duties and responsibilities on Local Authorities about commissioning appropriate services. In particular all Local Authority should encourage a wide range of service provision to ensure that people have a choice of appropriate services.
37.	If the proposals result in a lower level of HRS this may result in some individuals failing to manage their tenancy which could increase homelessness. Not only would this have a detrimental effect on the individual but could increase demand for the Council Homelessness Services. Under the Housing Act 1996(as amended) the LA have various statutory duties including the duty to provide advice, assistance and accommodation in certain circumstances. Including securing accommodation where the individual has a local connection, is unintentionally homeless or threatened with homelessness and in priority need for accommodation. A person who is vulnerable due to old age, mental illness of disability will be regarded as being in priority need. We do not currently envisage a lower level of HRS but will monitor the changes closely and take action to avoid or minimise any impact.
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
38.	The recommendations in this paper support the delivery of outcomes in the current and refreshed Council Strategy, adopted at Full Council on 21 September 2016. It also contributes to the current City Strategy and the Health and Wellbeing Strategy.



39.	<p>The recommendations in relation to HRS support aims in the new Housing Strategy. In particular</p> <ul style="list-style-type: none"> <li>• Housing Options and Support <ul style="list-style-type: none"> <li>○ Southampton is a city with a range of housing options and support for people with additional needs.</li> <li>○ Southampton is a city which prevents homelessness and provides support for rough sleepers.</li> <li>○ Residents have access to the right information, advice and guidance about their housing options.</li> </ul> </li> </ul>
-----	--

<b>KEY DECISION?</b>	Yes/No (No if Council)	
<b>WARDS/COMMUNITIES AFFECTED:</b>	All	
<b><u>SUPPORTING DOCUMENTATION</u></b>		
<b>Appendices</b>		
1.	Procurement Of Housing Related Support For Young People And Vulnerable Adults – confidential appendix	
<b>Documents In Members' Rooms</b>		
1.	ESIA Young People	
2.	ESIA - Adults	
<b>Equality Impact Assessment</b>		
Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.		Yes
<b>Privacy Impact Assessment</b>		
Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out.		No
Other Background Documents Equality Impact Assessment and Other Background documents available for inspection available for inspection from Sandra Jerrim, email Sandra.Jerrim@Southamptoncityccg.nhs.uk		
Title of Background Paper(s)		Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	Commissioning intentions: HRS for single adults	Available from Sandra.Jerrim@Southamptoncityccg.nhs.uk
2.	Commissioning intentions: HRS for young people	Available from Sandra.Jerrim@Southamptoncityccg.nhs.uk

