

Subject:	Commissioning of a Housing First Service for Single Homeless People		
Date of Meeting:	16 September 2020		
Report of:	Executive Director for Health and Adult Social Care		
Contact Officer:	Name:	Emily Ashmore	Tel: 01273 292520
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Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 To seek approval from Housing Committee for the tender of a contract to deliver a Housing First Service for single homeless persons to be procured in accordance with Public Contract Regulations (PCR) and Contract Standing Orders for a period of five years with the option to extend for a maximum of two further years from January 2021 to December 2028.
- 1.2 The current contract for the delivery of Housing First services for Single Homeless People commenced in January 2016 and expires in January 2021. The service currently supports 22 people and is jointly funded in this financial year by the council (£121,900.00) and by the Ministry of Housing Communities and Local Government, MHCLG (£101,955 2020/2021).
- 1.3 In February 2020 Budget council allocated a further £138,000pa for each of the financial years 2020/2021 and 2021/2022 to allow an expansion of the service by a minimum of 12 units. Taking the total number of units to a minimum of 34. This funding will be rolled over to allow a full two years of support.
- 1.4 A bid has been made to the MHCLG for an additional £312,000.00 to fund Housing First units as part of the recovery from Covid-19. The outcome of the bid is currently unknown. The bid is currently subject to moderation and we may receive, all, some or none of the amount we have requested. Should the bid for the full sum requested be successful this will fund a minimum of 35 additional units but we expect it to fund more as the service costs reduce as more units are procured.
- 1.5 If all funding streams continue this would create an overall minimum of 69 Housing First units.
- 1.6 This paper has been to Procurement Advisory Board on the 11 May 2020 and it was agreed for it to proceed to Housing Committee for a decision.

2. RECOMMENDATIONS:

That Housing Committee

2.1 Approves the procurement and award of a contract for the provision of a Housing First Service for single homeless people for a period of five years with the option to extend for a maximum of two further years.

2.2 Grants delegated authority to the Executive Director for Health & Adult Social Care or the Interim Executive Director Housing Neighbourhoods & Communities to carry out the procurement of the services referred to in 2.1 above including the award of the contract.

2.3 That the Executive Director for Health & Adult Social Care or the Interim Executive Director Housing Neighbourhoods & Communities seek authority of the Housing Committee prior to the expiry of the initial contract period of 5 years if it is recommended that the contract be extended under the extension provisions exercisable by the council under the terms of the contract.

2.4 Delegates authority to the Executive Director of Health & Adult Social Care or the Interim Executive Director Housing Neighbourhoods & Communities on confirmation of the award of funding by the MHCLG in response to a bid made by the Council for the purposes of financing Housing First units of accommodation, to increase the value of the procurement and subsequent contract award to reflect the amount of grant awarded (maximum of £312,000.00) and to enable the provision of a minimum of number of additional units pro-rated to the value of the grant awarded on the basis that the maximum grant of £312,000.00 will fund a minimum of 35 additional units.

2.5 To report regularly to Homeless Reduction Board on the progress and outcomes of the service.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The Housing First model is recognised as an exemplar of good practice and recent Ministry of Housing, Communities and Local Government (MHCLG) bids and large-scale responses to increasing homelessness nationally have focused on Housing First as an important and innovative model that should be adopted across the country.

3.2 The current Housing First service is commissioned by Health & Adult Social Care and delivered by St Mungo's. The contract started in 2016 and is for 12 individuals including 2 young people who were previously looked after aged 18-25. The two young people's placements are referred into and funded by Children's Services.

3.3 In 2018 the MHCLG provided additional funding allowing the service to be expanded by 10 units.

- 3.4 This model provides a highly personalised approach to working with individuals with multiple and compound needs. The Housing First model recognises that individuals with multiple needs require intensive and open ended support which is co-ordinated across multiple agencies. The model offers secure accommodation and holistic support to help individuals recover from homelessness.
- 3.5 This model works exceptionally well for this cohort with a significant proportion of clients in Brighton & Hove sustaining their accommodation without a break – 86% of all clients worked with since the commencement of the contract.
- 3.6 In Brighton & Hove we currently have 22 people supported under the Housing First Service, of these:
- 64% are male & 36% are female.
 - 7 are accommodated in council general needs tenancies with 5 now being in their accommodation over 2 years.
 - 2 are accommodated in council temporary accommodation and are successfully managing their tenancies.
 - 1 is accommodated in supported accommodation.
 - The rest are still residing in temporary forms of accommodation with 7 of those supported currently resident in covid emergency accommodation.
 - Service users are receiving on average 5 -7 hours of individual support per week.
 - Service users have a range of support needs including mental health, physical health, substance misuse and adverse childhood trauma.
- 3.7 The following provide an example of the additional positive life outcomes for clients who have been working with the Housing First service in Brighton & Hove:.
- A baby has been prevented from entering the Care System as a Looked After Child – Mum was able to evidence effective parenting in contrast to her previous pregnancy where she lost her child to the care system.
 - Several clients have achieved their longest period of sustaining accommodation in their adult life. 4 out of the 7 clients who are living in council general needs accommodation have now sustained their tenancies for over 2 years. All 7 are sustaining those tenancies successfully.
 - Reduction and abstinence from substance and alcohol misuse.
 - Ongoing engagement with education, voluntary work and training.
 - Client previously known to the Multi-Agency Risk Assessment Conference (MARAC) has disengaged from a violent relationship.
 - Reconnection with family and increased wellbeing recorded.
 - Huge reduction of engagement with the Anti-Social Behaviour services and Criminal Justice services.
 - Engagement with Health and Social Care resulting in:

- ✓ Successful cancer treatment
- ✓ Improved mobility due to engagement with health services
- ✓ Capacity and Cognitive Assessments resulting in a diagnosis of dementia and placement in a suitable placement to best meet needs
- ✓ Improved dental health
- ✓ Improved physical health
- ✓ Significant decline in attendances at A&E

3.8 The total proposed value of the contract without any additional MHCLG funding is £400,000 per annum. The total value over five years would be £2,000,000 and £2,800,000 over seven years should the contract be extended.

3.9 In addition to the above the council has submitted a bid to the Ministry of Housing Communities and Local Government's Next Steps Accommodation Programme. The bid would allow a further expansion of the Housing First service and if successful would deliver the funding to create additional accommodation units and support the individuals within those units. The revenue (support) funding requested for Housing First is an additional £171,000 in 20/21 and £312,000 per annum from April 2021 until 31 March 2024.

3.10 There are 55 people in the council's Covid related accommodation assessed as requiring Housing First. These people have multiple and compound need or high support needs but require self contained accommodation due to their underlying health needs. There are others in Covid related accommodation and in supported accommodation who would benefit from a Housing First service.

3.11 Funding for proposed contract (less any MHCLG Next Steps Accommodation Programme funding awarded) is as follows:

Period	Source of funding	Amount
Ongoing	H&ASC Commissioning budget	£160,045
2020-2022	BHCC temporary allocation	£138,000
2020-2021	MHCLG (1-year grant)	£101,955
Total		£400,000

3.12 If the full £312,000.00 is awarded by the MHCLG the contract value would be £712,000.00 per annum in 21/22 to 23/24. The NSAP bid is currently subject to moderation and we may receive, all, some or none of the amount we have requested.

3.13 Housing First is a long-term support offer that remains with people as long as they want support. If short term funding ends there would be a significant risk to the service continuity. We would mitigate these risks by reviewing the current H&ASC homeless budget to examine remodelling current services to identify

further funding. The options for any remodelling in order to maintain Housing First will be brought to a future Housing Committee;

3.13.1 .

3.14 Timeline of tender and procurement process

Date	Action
11 May 2020	PAB
16 September 2020	Housing Committee
Autumn 2020	Tender Launch
December 2020	Tender Close
31 January 2021	End of current contract
1 February 2021	Start of new contract

3.15 At present accommodation is secured for Housing First through Homemove. Individuals accepted onto the Housing First programme are supported to apply to Homemove and are placed in the Social Service's/Council Interest Nomination Queue in Band A.

3.16 The Social Service Nomination Queue (CIQ) includes other clients nominated by Family Children and Learning and Health and Adult Social Care and is used to ensure access to social housing for Care Leavers, people stepping down from residential care and other clients in need of social housing due to their care needs or care history.

3.17 There are currently 65 people in the CIQ. It takes on average eight months for someone to successfully bid for a property via this route. It can take longer if people need a mobility adapted property or are restricted about the areas they can live due to safety or other concerns.

3.18 Due to Covid 19 and the impact on lettings six of the ten Housing First clients nominated in summer last year have not yet been allocated a property.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 Housing First services are specialist services working with individuals with multiple and compound needs. The council has no direct experience of delivering a Housing First service and it is considered that given the complex and multi-discipline nature of the services required there would be an increased and unacceptable risk of clients losing accommodation and the service not delivering its objectives if the council looked to provide the service in house.

4.2 In addition, the costs of providing the service in house are estimated exceed those of a competent third sector provider and would reduce the number of units that could be provided The costing for staffing the current model (22 units) if staffing was moved into BHCC would be £305,000 per annum. This sum does not include;

- Premises costs

- Additional office costs
 - Utility costs
 - Council tax/business rates
 - Staff sickness cover
 - Enhancements for weekend/evening work
- 4.3 The current service costs £223,855 for 22 units including all on costs. Staff are paid above the Living Wage.
- 4.4 A competitive tender process will evaluate potential bids in accordance with the PCR to determine the most economically advantageous proposal over the life of the contract. This means that the proposals received will be evaluated on both price i.e. the number of units of support the provider can offer for the funding (20%) and quality (80%) so as to ensure that a high-quality competent provider is selected that can meet the varied needs of the individuals.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 Housing First has been identified as a priority for the city through the consultation for the city's Homelessness and Rough Sleeper Strategy.
- 5.2 Referrals to Housing First from external agencies far exceed placements available into the service demonstrating the value of the service to support staff working in the sector.

6. CONCLUSION

- 6.1 The proposed costs are in line with benchmarked services nationally. The specification will allow for expansion within the current costs where this is assessed by the Contract Manager and provider as being in the interests of the service and existing users of the service. The service has expanded in line with the Housing Committee Work Plan (2019-23) & Corporate Plan (2020-23) commitment to the model.
- 6.2 The evaluation of the tenders will include an evaluation of the Social Value brought by the proposed service. Bidders will be asked to provide evidence of how the service will maximise social value and impact on local priorities to include:
- Opportunities for people to be involved in the delivery, decision making and governance of services.
 - The additional social value elements provided during the life of the contract and evidence of where they have delivered social value in a similar setting.
 - How they would promote independence and self-management of health issues.
 - How they intend to work collaboratively with the community and voluntary sector to improve outcomes for the individuals in the service.
- 6.3 The Housing First contract will be monitored through regular contract monitoring meetings, annual service reviews and the collection of client data. Annual service reviews include feedback from stakeholders, interviews with service users and staff as well as analysis of the outcomes of the service. The quality of the service is assessed against a quality monitoring framework.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The Housing First contract is included as part of the Housing Related Support budgets within Health & Adult Social Care and the 2020/21 net budget totals £5.8m. The Housing First contract value is £0.224m for 2020/21 and ongoing funding identified is £0.160m.
- 7.2 There is temporary funding for the Housing First contract as follows:
- 2020/21 £0.102m from the MHCLG
 - Budget Council amendment for 2020/21 and 2021/2022 of £0.138m per year
- 7.3 As outlined in the report, the Council is currently submitting a bid to the Ministry of Housing Communities and Local Government for funding to further expand the Housing First service. The revenue funding requested is an additional £0.312m per annum to 31st March 2024. If the full amount is awarded, then the contract value would be £0.712m per annum.
- 7.4 The commissioning lead officer has advised that if there is any reduction in the currently identified funding streams over the course of this contract then it will be necessary to make efficiencies within the wider Housing related support budget to ensure ongoing funding for the Housing First contract.
- 7.5 From a financial perspective there is a significant ongoing risk from awarding a 5-year contract when there is insufficient permanent funding.
- 7.6 A high-level estimate for the cost of providing this service in-house has been completed based on the current service (22 units). This is outlined in section 4 of the report. Please note due to incomplete data a number of elements could not be estimated which could have a significant impact on the overall cost including office premises costs.

Finance Officer Consulted: Sophie Warburton

Date: 23/08/2020

Legal Implications:

- 7.7 (i) The Council has a duty to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and, effectiveness (known as the duty of best value)
- (ii) The Council's Constitution at Part 4 Scheme of Delegation to Committees and Sub Committees sets out the terms of reference of each Committee. Housing Committee has overall responsibility for the Council's housing functions including homelessness.
- (iii) The proposed service falls within the light touch regime set out in Regulations 74 to 77 of the Public Contracts Regulations 2015 (PCR) and must be advertised by way of a contract notice as the value of the proposed contract is above the light touch regime threshold of £663,540.00 There are no prescribed

procurement processes under the light touch regime, therefore the Council may use its discretion as to how it conducts the procurement provided that it discharges its duty to:

- comply with the Treaty principles of equal treatment, non-discrimination and fair competition;
- conducts the procurement in conformance with the information that it provides in the OJEU advert;
- ensures that the time limits that it imposes on suppliers, such as for responding to adverts is reasonable and

(iv) The council's Contract Standing Orders (CSOs) will also apply to the procurement .

Lawyer Consulted:

Judith Fisher

Date: 23/08/2020

Equalities Implications:

- 7.8 Housing First offers a uniquely personalised service to the user based on their individual aspirations and needs. Support and accommodation is matched to the individual ensuring that anyone who needs the service is able to access the support they need. This ensures that the service is accessible to all.

Sustainability Implications:

- 7.9 Sustainability will be taken into account as part of the tender process including the use of public transport for visits.

Crime & Disorder Implications:

- 7.10 Housing First can demonstrate a positive impact on crime and disorder supporting the most vulnerable people away from the streets into accommodation and intensive support.

Public Health Implications:

- 7.11 As demonstrated in the outcomes in 3.6 offering vulnerable homeless individuals secure accommodation and holistic support can greatly improve access to health services and health outcomes.
- 7.12 The provision of an expanded Housing first model will enable the accommodation and support of individuals accommodated in our Covid accommodation for verified rough sleepers (Care & Protect) who have underlying health needs.
- 7.13
- 7.14 Self contained accommodation without shared facilities reduces the risk of Covid 19 transmission.

Corporate / Citywide Implications:

- 7.15 There are risks if the short term funding from MHCLG or the council ends. These risks have been assessed and there is a plan in place to sustain the contract from existing resource if this became necessary. Other services would have to be ended to meet these costs.

SUPPORTING DOCUMENTATION

Appendices:

1. N/A

Background Documents

Background Reading on the Housing First model of support

- 1.

<https://hfe.homeless.org.uk/about-housing-first>

- 2.

https://england.shelter.org.uk/_data/assets/pdf_file/0008/145853/GP_Briefing_Housing_First.pdf

