

<b>Subject:</b>	<b>Housing Related Support Commissioning Plan</b>		
<b>Date of Meeting:</b>	<b>22 January 2015</b>		
<b>Report of:</b>	<b>Executive Director of Adult Services</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Richard Denyer-Bewick</b>	<b>Tel: 29-6370</b>
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<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 To present the future commissioning plan for Housing Related Support (HRS) services, formerly known as Supporting People and Homelessness Prevention grant funded services. The Council's budget will be set in February 2015 and the local decision on the amount allocated to the HRS programme will be made. The Council needs to be prepared with plans to review, extend, redesign and retender services within the budget parameters agreed.
- 1.2 In 2014/15, the budget for Homeless Prevention Grant and Housing Related Support external contracts totals £7.87m and a further £2.95m forms part of the Council's base budget spend on homelessness prevention and housing related support services (the latter being "in house" services).
- 1.3 At the 4<sup>th</sup> December 2014, Policy & Resources Committee, the Budget Update report noted savings proposals for the 2015/16 financial year which included a full year effect £2m reduction to the external contracts total in 1.2 above, with £1m savings to be achieved in the 2015/16 financial year. This report sets out our short to medium term plans to achieve these savings.
- 1.4 Increasing numbers of vulnerable people in the city are living with multiple complex needs, relating to mental health, substance misuse, learning disabilities, physical health and social care needs. There has been an unprecedented rise in homelessness resulting in a greater number of people rough sleeping in Brighton and Hove for longer periods of time before accommodation is available; people sleeping rough are vulnerable to violence and abuse and have higher levels of need than the general population in terms of physical health, mental health and substance misuse, putting significant pressure on health services.
- 1.5 At the heart of our commissioning plans we seek to address some of the known gaps in provision for these client groups and improve the services they receive.

## **2. RECOMMENDATIONS:**

That the committee:

- 2.1 Notes the contents of the report and agrees to the proposed commissioning and procurement plans for externally provided support services for up to five financial years (2015-16 to 2019-20 inclusive) subject to annual Budget Setting agreed at Full Council.
- 2.2 Agrees to the proposed review of directly provided (in house) support services and the development of future delivery model options to achieve savings, better value for money and strategic commissioning plans for delivering services to vulnerable people.
- 2.3 Agrees to delegate authority to the Executive Director of Adult Services to procure and enter into any contract to secure effective delivery of support services for vulnerable people as outlined in Section 6 of this report. Decisions shall be made in consultation with the Executive Directors of Environment, Development & Housing, Children's Services, Finance & Resources, Director of Public Health and the Monitoring Officer
- 2.4 Agrees that commissioning and procurement plans from April 2015 will be aligned with priorities within the Council's Housing Strategy 2015, Homelessness Strategy 2014-19, the Council's priorities for the integration of social care and health through the Better Care Plan and priorities agreed through the city's Health and Wellbeing Board or Housing Committee.

## **3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The terms "Housing Related Support (HRS)" and "Supporting People (SP)" are interchangeable. HRS is the new term used to describe services commissioned to support vulnerable people in the city to work towards achieving and sustaining a level of independence related to their housing. SP is the older term for the same programme but more specifically relates to the Supporting People Grant which was ringfenced by Government for local authorities to use for this purpose up until 2010. Similarly, the Homeless Prevention Grant (HPG) remains a central government named grant for local authorities through the Business Rates Retention Scheme, but is also no longer ringfenced.
- 3.2 HRS spend has previously been aligned with a Supporting People Strategy. The last strategy was presented to Housing Committee on 5<sup>th</sup> January 2011 and subsequently delivered a programme of service contracts for four years which are due to end on 31<sup>st</sup> March 2015. The end of current contracts and the agreed savings proposals for 2015/16 offer the Council an opportunity to review and change the current delivery models of services, some of which have remained unchanged for many years. While there are some successes with the current system, service redesign can offer better value for money, efficiencies through better procurement arrangements, and opportunity for creativity and innovation.
- 3.3 Detailed needs analysis has been completed recently for non statutory homelessness services (single homeless people and rough sleepers) and young peoples accommodation services. These include the Homeless Health Needs

Audit (2014), Homelessness Scrutiny Panel Report (2014), Homelessness Strategy Review (2014), Housing Strategy Review (2014), Single Homeless & Rough Sleeping Needs Analysis (2013) and the Housing and Support for Young People Needs Assessment (2012). These documents indicate that there are gaps in current provision and that services need to change to meet the changing demands.

- 3.4 A full year effect reduction of approximately 25% of the housing related support budgets in 2015/16 will undoubtedly mean that next year will see a significant amount of change in the way services will be delivered and capacity will reduce. The Council needs to be clear about what we will stop doing, start doing and what we will change about the way we work and the services we commission. In order to achieve savings of this level, some contracts will come to an end on 31<sup>st</sup> March 2015 and not be renewed and some will be extended for up to a year; however by the end of the financial year a phased procurement process to retender all services will have taken place and new delivery models will have begun.

#### **4. CURRENT DELIVERY MODELS**

##### Integrated Support Pathway (ISP):

- 4.1 The ISP is a range of commissioned services for people who are homeless or require housing related support. The majority of people using these services are 'single homeless' people who the local authority has no statutory duty to house, but for whom without support, may become street homeless or as a result access statutory services (Social Care, Health and Police). The ISP is the current model for single homeless people in the city and provides support throughout an individual's progress, from street homelessness through to independent living.

##### Young People's Accommodation and Support Pathway:

- 4.2 In the autumn on 2013, The Housing and Support for Young People Joint Commissioning Strategy was approved and included the outcome of creating an 'accommodation and support pathway' for young people. Based on the national good practice model; this pathway started in Brighton and Hove in April 2014. This pathway is for young people between the ages of 16 under 25, who may be looked after children, care leavers, pregnant young women, or young families. There is also emphasis on prevention, so younger children are supported where there is a risk of future homelessness. This pathway is based on the ethos of an integrated approach to preventing youth homelessness, with an emphasis on planned moves to independence. Part of the development of this pathway so far, has been joint working around assessments and allocations, and making better use of resources through joint commissioning.

##### Mental Health Supported Housing Pathway (MHSAP):

- 4.3 This was launched in Feb 2014. The aim of the Mental Health Tiered Accommodation pathway is to improve access to a range of accommodation with support services for adults with functional mental health needs, and to improve pathways for move on to more independent living. Tiered support ensures that people receive support at the most appropriate level and that at each tier structured support assists people in their recovery, with move on goals and opportunities a key part of support planning.

- 4.4 Better co-ordination and collaboration between providers and the tiers of support increase flexibility and enable service users to achieve the goals in their recovery journeys, including greater independence through stable accommodation. The pathway aims to achieve an appropriate balance between high and medium level accommodation-based services and recovery-oriented floating services, longer term independent housing needs will be addressed early and throughout the patient journey. Services for the Pathway have been commissioned in partnership with the Clinical Commissioning Group to 2017.

Work & Learning Pathways:

- 4.5 Work and learning support services in the city are both commissioned in the independent sector and also directly provided by the Council. Services enable people who are living in supported accommodation and independently in the community to move on to greater levels of independence and sustain their tenancies by providing basic life skills, work readiness, literacy and numeracy training and work placement opportunities. Services are aligned alongside the ISP and Mental Health Supported Accommodation Pathway.

Floating Support Services:

- 4.6 Housing related support includes a number of other floating support services, again both commissioned externally and some directly provided services. These help people maintain their tenancy or placement in Emergency or Supported Accommodation and include peer support and crisis intervention.

Directly Provided (In-House) Services:

- 4.7 The recommendation for directly provided services is that they are included in the service model reviews for housing related support within each area of work including:

- Homelessness Hostels / Single Homelessness Support Services
- Work & Learning Services
- Floating Support Services
- Young People's Services
- Older People / Physical Disabilities & Community Alarms
- Learning Disabilities Services
- Services for people with Mental Health Issues

Where there is a strategic need to change the delivery model of a service area, Council managers and budget holders will consider future options to change services alongside any considerations to meet savings targets. Where appropriate, a full business case will be developed in consultation with staff and unions and in accordance with the Councils agreed Change Management procedures, in order to effect change. For example, the model of delivery for homeless hostels in the city may need to change and currently this includes both external and directly provided services. Any change to the model should include in-house services within the plans.

## 5. FUTURE DELIVERY MODELS

- 5.1 Central to future commissioning arrangements is a need to reduce duplication and **create better services for people in the city through joint commissioning** and co-commissioning. Where appropriate the Council will seek

to work in partnership with other statutory agencies and providers such as the Clinical Commissioning Group, NHS Trusts, Sussex Police and National Probation Service. There is also opportunity to work more closely with the Department for Communities and Local Government, Department for Work and Pensions and the Department of Health in mitigating any negative impacts of making service changes and of any national changes through health, social care and welfare benefits reforms which might impact on people in the city.

- 5.2 The Council **recognises the excellent work that current providers and partner agencies have achieved** throughout the current programme of work and we must now seek to work even more effectively with the community and voluntary sector and look to how collaboration with city partners can assist in mitigation against any service redesign impacts.
- 5.3 The current **Supported Accommodation Integrated Support Pathway (ISP)** is in the process of being reviewed and redesigned. This will include a new Rough Sleeper Outreach Service, homeless hostel accommodation for High, Medium and Low needs support, including some specialisms. There will be an element of floating support and work and learning services integrated within the model as well as services to increase access into the private rented sector. Best practice principles of Psychologically Informed Environments (PIES), No Second Night Out (NSNO), Housing First and working with people with multiple complex needs will be included in the model and at it's heart a move from a resource based pathway system to a needs led Assessment Model, where clients have the flexibility to move between and through the services that are best going to meet their needs at any given time. In order to
- 5.4 **Better Care: Homelessness Integrated Care Model.** This is a specialist integrated health and care model, which is planned to deliver a multi-agency, model of care (physical and mental health, substance misuse, social care and housing support) for homeless people across the city with the aim of improving health outcomes and reducing health inequalities and reliance on unplanned and emergency services. There will be a multi disciplinary team 'hub' which will integrate and co-locate a number of core services: primary care and GP services, community health and social care, housing support and third sector support. It will also host a number of associated clinical and support services. Central to the model is how it outreaches from a 'hub' to the homeless street population, in-reaches to homeless settings to deliver satellite services and links with other mainstream services to provide specialist support. These are the "spokes" and are integral to the model to improve access and health equality and sustain the specialist model. The model will go live in April 2016 with 2015/16 an interim year to test new models, develop services and align services across the city.

## 6. **SPECIFIC REVIEW & COMMISSIONING PROPOSALS**

**Appendix 1 (Restricted)** provides further detail on this section of the report.

From now and throughout the 2015/16 financial year services will be reviewed, and a phased retendering and commissioning process will be completed. This will include the ending of some contracts on 31<sup>st</sup> March 2015 or later in the year after an interim contract extension period. The reviews and retendering will include services for people experiencing homelessness or rough sleeping; people with learning disabilities, physical disabilities, substance misuse, mental

health issues or forensic history; and people experiencing domestic violence. The types of services being reviewed and re-commissioned include outreach services, hostel accommodation, floating support and specialist advice services.

Rough Sleeper Outreach Service Tender:

- 6.1 Review current service and needs analysis data. Tender new service and appoint contractor to commence service delivery on 1<sup>st</sup> August 2015 to operate a service for up to five years including any extension period.

Private Sector Access Services Tender:

- 6.2 Review current services and consolidate within one service specification, retendering service during 2015/16 to commence no later than 28<sup>th</sup> March 2016 and to operate a service for up to five years including any extension period.

Floating Support Services Tender:

- 6.3 Review current service and needs analysis data. Tender new service and appoint contractor/s to commence service delivery on 1<sup>st</sup> October 2015 and to operate a service for up to five years including any extension period.

Service Budget Transfers:

- 6.4 The transfer of service budgets (both externally provided commissioning budgets and directly provided (in house) base budgets) to relevant Council commissioners or directly provided Council budget holders. We expect to be able to achieve some efficiency savings as of 1<sup>st</sup> April 2015 through this process and ensure that services are better aligned with commissioners, for example all substance misuse services with Public Health. We propose to submit a further report to committee at a later date detailing specific services affected.

Contracts Ending:

- 6.5 This means allowing contracts to end either on 31<sup>st</sup> March 2015 or following an interim extension period not exceeding March 2016. While some services will cease to exist, new services are being tendered to ensure there is provision in the city, but it is unlikely we will achieve the level of savings without some loss of capacity and / or loss of continuity of support for some people. We propose to submit a further report to committee at a later date detailing specific services affected.

Integrated Support Pathway Review:

- 6.6 Review current service and needs analysis data and consult with public on future model of delivery. Tender new service and appoint contractors to commence service delivery no later than March 2016 and to operate for up to five years including any extension period. We propose to submit a further report to committee at a later date detailing specific tenders and contract sums.

## **7. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 7.1 A Commissioning Plan is required from April 2015 outlining commitment to fund services through the housing related support and homelessness prevention budgets as the majority of contracts come to an end at the end of March 2015 and the proposed savings of £2m full year effect require significant changes to service design in the city.

## **8. COMMUNITY ENGAGEMENT & CONSULTATION**

- 8.1 The proposed budget savings for housing related support services were consulted on through the Policy & Resources Committee as part of the Council's democratic process. There has been significant public consultation on the Council's Budget Strategy, including housing.
- 8.2 Consultation was undertaken through the development of the Housing and Homelessness Strategies 2014-19, the review of the Housing Related Support Strategy 2011-15 and through the various working groups and strategic commissioning groups for the relevant client areas.
- 8.3 Interim savings proposals have been discussed with provider services and initial discussion with some providers has occurred where there is a likelihood the service could cease at the end of the contract term. Proposals have been based on assessment of value for money, service performance and outcomes.

## **9. CONCLUSION**

- 9.1 This report seeks approval of commissioning proposals in order to implement contractual and service changes to deliver efficiency savings.

## **10. FINANCIAL & OTHER IMPLICATIONS:**

### **10.1 Financial Implications:**

The total recurrent 2014/15 gross budget for external provider contracts across Housing Related Support is £7.87m with the majority of this funded by the council. In addition, there are one-off contracts in 2014/15 totalling £0.04m which are funded through grants and non recurrent budget provision.

Savings of £1m with a full year effect of £2m have been identified (Policy & Resources Committee 4 December 2014), subject to council approval in February 2015, against the Housing Related Service Budget. It is expected that these savings can be achieved through new service delivery models as mentioned in the body of this report.

The procurement plan intends to fix contract prices upon renewal of the contract(s) giving up to five years of security to providers bidding in any tendering process.

The resultant contracts are expected to deliver improved Value for Money and will be monitored against agreed outcomes.

*Finance Officer Consulted: Anne Silley*

*Date: 18/12/14*

### **10.2 Legal Implications:**

The statutory basis for action on homelessness is provided in the Housing Act 1996 (part seven), and amended in the Homelessness Act (2002). For non-statutory homelessness prevention, the Council has other powers including those granted by the Localism Act (2011) and the Health and Social Care Act 2012.

Where services are commissioned externally as is the case here, the process of awarding contracts is governed by the EU Procurement Rules and the Public Contract Regulations 2006. A new Procurement Directive was approved by the EU in March 2014 and the Public Contract Regulations are in the process of being updated. It is likely that the new UK Regulations will be in place early in 2015. This advice is given on the basis that the new Regulations will apply in relation to any new contracts to be entered into.

The services fall into the category of health and social care services, for which there is a new 'light touch' regime. Contracts for services valued in excess of 750k Euro's will need to be advertised. Following advertisement, it will be for the Council to determine the process by which contracts will be awarded. The process will need to be fair and transparent.

*Lawyer Consulted:*

*Jill Whitaker*

*Date: 18/12/14*

### 10.3 Equalities Implications:

Budget EIA has been completed for proposed reductions to externally contracted Housing related Support and non statutory Homeless Prevention contracts.

Equalities impacts of reducing budgets People who are in need of housing related support, homeless or rough sleeping often have multiple complex needs and can suffer multiple exclusions from mainstream services. There is a high prevalence of mental ill health and a national evidence base which demonstrates that people who are homeless generally have more difficulty accessing health and social care services.

In mitigation of risks, 'Task & Finish' Groups have been set up to focus on specific service areas/client groups (e.g. floating support, older people) and changes to services will be carefully managed through these groups with consultation with service providers to minimise negative impacts of changes.

A review of specific service areas is being undertaken (e.g. Integrated Support Pathway services for single homeless people; residential rehab review for people with substance misuse issues; Adult Social Care review of older peoples services) to improve referral and access of housing-related support to clients. Work with commissioning and delivery partners (such as Clinical Commissioning Group, Public Health and third sector external service providers) will continue through various existing boards (e.g. Homeless Integrated Care Board, Better Care) to minimise negative impacts by improving coordination of health and social care support to vulnerable homeless clients. The Integrated Support Pathway EIA (services for single homeless) will be reviewed alongside the review of the service delivery model

### 10.4 Sustainability implications:

Procurement processes will take into account sustainability of housing stock and the principles of Social Value in order to achieve best value for money options and sustainability of services and community resilience.



## 10.5 Any Other Significant Implications:

Our housing related support provision delivers diverse and innovative services to a range of client groups, from people with mental health and substance misuse problems, to older people and single homeless people with support needs. The services are preventative and achieve long-term, positive benefits for service users to maximise independent living. HRS services contribute to the council's corporate parenting duty by providing suitable accommodation in the Young People's Pathway

Our external partners have worked well to deliver the programme and any risks to our providers, services, service users and local employment opportunities, need to be carefully managed and mitigated in partnership with our providers. Achieving this level of savings presents significant risks to external partners, providers, services and services users for example:

- Increases in rough sleeping / mortality rates
- Loss of jobs
- Increases in statutory budgets
- Risks to the provider market base
- Risk to the council through media /negative press
- Challenge to Local Authority over decision making (e.g. Judicial Review)
- Increases in waiting lists for services
- Pressure of other services

The 2014 Overview & Scrutiny Report on Homelessness made a recommendation that "the council needs to take action to diversify its 'stock' of hostel accommodation, seeking to spread hostels more evenly across the city, and to offer a range of accommodation options in terms of hostel size and the level of support on offer"

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Commissioning recommendations – Exempt Category 3 (Restricted from the public)

### **Documents in Members' Rooms:**

2. Housing Strategy 2015 (Draft for Review)
3. Homelessness Strategy 2014-19
4. Better Care Plan September 2014

### **Background Documents:**

5. Homelessness Overview & Scrutiny Panel Report 2014
6. Brighton & Hove Homeless Health Needs Audit 2014