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**REPORT FOR: CABINET**

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<b>Date of Meeting:</b>	16 November 2017
<b>Subject:</b>	Housing Related Support and Preventative Services Floating Support
<b>Key Decision:</b>	Yes
<b>Responsible Officer:</b>	Nick Powell, Divisional Director of Housing Visva Sathasivam, Acting Director of Adult Social Care
<b>Portfolio Holder:</b>	Councillor Glen Hearnden, Portfolio Holder of Housing and Employment Councillor Simon Brown, Portfolio Holder for Adults and Older People Councillor Adam Swersky, Portfolio Holder for Finance and Commercialisation
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	All
<b>Enclosures:</b>	Equality Impact Assessment (EQIA)

## **Section 1 – Summary and Recommendations**

This report sets out the need to review and re-procure housing related support and preventative services. The current contracts end in March 2018 and cannot be extended; they were procured as part of the Supporting People Programme which is no longer current practice following the implementation of the Care Act 2014 in April 2015. In addition, the financial challenges of the Council and the change of context in which these services were commissioned means that efficiencies and financial savings should be explored and are expected as part of this exercise. There are also additional pressures in that the resources available to commission and manage these contracts have significantly reduced; there may be duplication with other services and other models are available for these services which may be more suitable.

### **Recommendations:**

Cabinet is requested to delegate authority to the Director of Housing and the Acting Director of Adult Social Care, following consultation with the Portfolio Holder for Housing and Employment, Portfolio Holder for Adults and Older People and Portfolio Holder for Finance and Commercialisation to procure Housing Related Support and Prevention services and award the contracts.

### **Reason: (For recommendations)**

To ensure continued and more efficient provision of Housing Related Support and Preventative services to vulnerable residents and service users.

## **Section 2 – Report**

### **Introductory paragraph**

The current housing related support and prevention services were developed under the former Supporting People programme. The contracts for these services end in March 2018 and no further extensions are contractually possible. Therefore, Officers have been developing options to consider in order to provide support to service users with the same level of need.

### **Options considered**

The options considered are:

- *To commission the same services under new contracts commencing in April 2018*

This option is not recommended. This option would not allow the delivery model to be updated in line with best practice and legislative change. The current framework is not in line with other neighbouring Boroughs and does not take account of modern changes and different ways of working in line with current best practice, or the requirements in the Borough.

- To not commission any new services at the end of the current contracts in March 2018

This option is not recommended. This option would not meet the needs of vulnerable residents who require housing related support and prevention services to stay living independently. The current services play an important role in terms of preventing people needing additional support. While the Supporting People Programme is no longer best practice or a current Government initiative, the Care Act 2014 established a responsibility surrounding prevention and the provision of services that can prevent, reduce and delay the onset/ worsening of needs.

These services are being commissioned to prevent people's needs worsening to a level that requires more traditional social care intervention (namely domiciliary or residential care) and to support independent living thereby preventing homelessness.

- To commission new remodelled services under new contracts commencing in April 2018

This option is recommended as it would support the Council in its responsibilities to meet the needs of vulnerable residents who require housing related support, and also provide preventative services in the Borough to stop people requiring costly interventions at a later point once crisis has been reached. Furthermore, the ability to recommission the services under new contracts in a collaborative way across adult social care and housing allows for more seamless services to be procured that better meet the needs of the people requiring support, and potentially deliver efficiencies.

In order to do this, and in line with approaches adopted by other Local Authorities it is proposed that the delivery model is updated to support more individual service users through a model of shorter term, more intensive support that focuses on crisis prevention, early intervention, integration and effective partnership working to identify and meet additional needs more effectively. This option would also enable the Council to achieve savings and the reduction in the number of contracts would be helpful in the context of the reduced capacity for contract management.

## **Background**

The Supporting People programme was launched on 1 April 2003. The main aim of the programme was to enable vulnerable people to achieve and/or maintain independence through the provision of housing-related support and to prevent homelessness and help end social exclusion. The focus of these services was on tenancy sustainment; these services did not include personal care or domestic care and did not focus on crisis prevention or early intervention. Personalisation moved away from traditional block commissioning arrangements and was launched in 2008 but properly imbedded in 2009, following this and the foundations it laid, the Care Act 2014 came into force in April 2015 enshrining in Law the requirements for person

centred care and support and the responsibilities to provide preventative services.

Supporting People services were delivered either as floating support in a person's own home in the community or as accommodation based support in specialist accommodation.

It helped people from a range of vulnerable client groups including:

- People who have been homeless or a rough sleeper
- Ex-offenders and people at risk of offending and imprisonment
- People with a physical or sensory disability
- People at risk of domestic violence
- People with alcohol and drug problems
- Older people
- Homeless families with support needs.

In April 2009 the ring-fence on Supporting People funding was lifted and from April 2010 funding was incorporated into the Area Based Grant which has been subject to significant reductions, with a loss of transparency around individual funding streams.

## Current contracts and providers

The contracts for these services all end in March 2018.

Housing contracts being considered as part of this retender:

Generic Floating Support (Look Ahead)	105 units
Floating Support for Substance Misuse and Ex-offenders (Look Ahead)	40 units
Supported Housing for Substance Misuse and Ex-offenders (Look Ahead)	6 units accommodation based support

Adults contracts being considered as part of this retender:

Older People Floating Support (Hestia)	44 units
Elderly Mentally Infirm Floating Support (Notting Hill Housing Group)	25 units
Mental Health Flexible Floating Support (Look Ahead)	40 units
Mental Health Rapid Response Floating Support (Look Ahead)	18 units
Mental Health <i>short term</i> Supported Housing (Look Ahead)	15 units accommodation based support

Mental Health <i>long term</i> Supported Housing (Look Ahead)	14 units accommodation based support
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## Why a change is needed

These services are being reviewed because the current contracts end in March 2018 and it is not possible contractually to extend them.

The social and economic environments have changed since Supporting People was launched in 2003 and service users now face different challenges, such as the housing crisis, welfare reform and Universal Credit. The current structure of these contracts is therefore not in line with best practice, the needs of service users or the provision in other similar authorities.

The capacity to manage this volume of contracts has also reduced, so it would make sense to reduce the number of contracts and hope to deliver savings by consolidating these services to contribute towards the Council's budget position.

There may be duplication between these current services and other services commissioned by the Council, such as the General Information and Advice Service and the Substance Misuse Service.

In addition the Care Act was introduced in 2014 and is the most significant change in social care law for 60 years. It places a duty onto local Authorities to provide preventative services in a way that meets the needs of people in the Borough. The proposed new model of delivery would allow focus on the following priorities:

- Prevention of additional pressures on homelessness, health and criminal justice services
- Prevention of need for statutory adult social care, services
- Increased engagement with work related activities
- Increased partnership working and reduced duplication

This would be achieved through:

- A clear referral and assessment pathway
- Practical support to meet the identified support needs (such as budgeting, dealing with rent arrears and other debts, making claims for welfare benefits, managing utilities and reporting repairs)
- Housing advice to secure and/or sustain suitable housing options
- Support with access to primary health care and specialist services such as substance misuse services and mental health services
- Support with access to education, training, volunteering and employment
- Referral and signposting to other services

Other Councils have adopted different models for housing related support and prevention services such as group support, drop-in surgeries and shorter, more intensive support interventions, all of which may feature in the model

following consultation with service users and providers that will be undertaken as part of the tender exercise.

If the recommendation is accepted, officers would like to explore a model where a shorter but more intensive support intervention is offered with a clear referral pathway into the service and clear signposting out of the service. A service user could be referred to the service again in the future if they needed further support.

Current service users have given us their views by postal questionnaire and at a well-attended consultation event. Service users were asked the points they liked most about their support service, whether there was anything they disliked about their service and any ideas for the future. Service users were grateful for the services received and gave positive stories of their experiences. Many users acknowledged that they did not necessarily need their support worker for the full length of time they were allocated, and would prefer to have an 'open door' for support, where they could see or speak to a support worker at a time of need/ approaching crisis. Suggestions around drop in, and telephone support were popular in addressing this.

Providers were also invited to a market engagement event, where they were asked for their feedback about the current services, informed about the need to make savings and asked for their views about a shorter, more intensive support service. Many of the providers expressed concerns about limiting support too much and welcomed suggestions of creativity and innovative ways to provide support beyond the traditional 1:1 floating support. Providers were also shown the indicative timescales for the project, and although Officers acknowledged they were short, providers did not challenge this. Their views and feedback will help shape the model tendered if the recommended option is accepted, in addition, Officers will include service users in the tender evaluation panel to further ensure their views are considered as part of the decision making process.

## **Implications of the Recommendation**

### ***Considerations***

The change in commissioning for these services needs to be undertaken in a strategic and user friendly way. It will be designed in an outcomes focused way taking account the views of providers, service users, best practice guidance, other Authority models and the suggestions of the referring officers and Authorities.

### **Resources, costs**

The proposed new model will support the Council's efficiencies and takes account of the financial context of the Authority including the need to make additional cost savings as part of this process. The proposed outline model will aim to support increased volumes of service users within a smaller financial envelope for a shorter more intensive period of support and equip them with the tools to find additional support independently at the end of the support period. This may be achieved by signposting and/ or referring to other commissioned and non-commissioned services in the community.

## Procurement process

The key dates for this procurement (Timetable) are currently anticipated to be as follows:

Table 1

Event	Date
Publish Open ITT advert / OJEU Notice	17/11/2017
Issue Open Invitations To Tender	17/11/2017
Deadline for submitting clarifications	08/12/2017
EOI & Tender submission deadline	12:00:00 on 18/12/2017
Evaluate Tender submissions	18/12/2017 to 07/01/2018
Award recommendation	31/01/2018
Notification of decision to award	31/01/2018
Standstill period (supplier debriefs)	31/01/2018 to 10/02/2018
Mobilisation	12/02/2018
Contract commencement date	01/04/2018

The Authority, will conduct the procurement using an Open procedure and in accordance with Directive 2014/24/EU Article 74 for the purpose of procuring the services described in the Specification (Services). The Open procedure has been adapted under the light touch regime to allow any tenderer that fails a qualification question to be eliminated from the process and the Technical and Commercial sections will not be evaluated. The value of these services is expected to be above EU thresholds for services. Tender documents will be published on London Tenders Portal and Contracts Finder in accordance with the Council's CPRs, and via the Official Journal of the European Union (OJEU).

The Tender has been divided into 6 Lots. Tenderers will be invited to bid for one, some or all Lots.

- Lot 1 Social Care Floating Support – including Elderly Mentally Infirm, Older People and Mental health
- Lot 2 Housing Floating Support- including Generic and Substance Misuse & Ex-offenders
- Lot 3 Housing Accommodation Support - Substance Misuse & Ex-offenders
- Lot 4 Social Care Accommodation Support - Mental Health needs
- Lot 5 Joint award for Lots 2 & 3
- Lot 6 Joint award for Lots 1 & 4

Where a tenderer submits for Lot 5 they will submit a joint award price for Lots 2 & 3. This price will be used in the first instance for evaluation purposes. This will allow providers to demonstrate cost volume saving to the Authority. Tenderers are required to be ranked 1st in Lots 2 & 3 to be recommended for a Lot 5 award.

If no clear winner is identified for Lot 5, both lots 2 & 3 will remain separate and the original prices for Lots 2 & 3 will be used for evaluation.

Lot 6 will use the same methodology as above.

The highest scoring tenderer for the most economically advantageous option for the Authority will be recommended for award of the contract.

The M.E.A.T (most economically advantageous tender) calculation will be based on: 45% of the points being awarded for Quality/Technical assessment, 45% of the points being awarded for Commercial assessment and 10% of the points being awarded for Social Value.

The Authority will reserve the right to award Social care / Housing Related Support and Preventative floating support services contract(s) for one, some or all Lots following a compliant procurement process. This will allow flexibly not awarding any Lot due to unforeseen circumstances, and continuing awards for the remaining Lots.

The Authority will look for potential service provider(s) to be awarded a contract for a period of 2 Years with options to extend for a further 1 Year + 1 Year + 1 Year (5 Year total).

The anticipated contract award will be made 12th February 2018 and contract commencement will be 1st April 2018.

## **Risk Management Implications**

Risk included on Directorate risk register? Yes  
Separate risk register in place? Yes

The report outlines a retender exercise that is intended to create a better quality service provision for residents and service users in Harrow and as such the risks associated are minimal.

With all tender exercises there is always a risk that there will be a low turnout, particularly when reducing available funding. However, Officers have run a market engagement event to understand any concerns and allow Providers to consider whether they plan to bid on the new model.

The tender is being issued at a time of other significant financial reductions, including a recent reduction to Voluntary Sector Budgets of £420k from Adults alone. This potentially leads to cumulative impacts for service providers and service users. However, Providers and users have been consulted on the proposals to assess the impact and mitigate where possible.

The service is potentially going to be remodelled with the intention to support an increased number of people within a different financial envelope – however, the figures being used to re-design the service are based on an existing, very different model with prescriptive expectations. As such, the bidders will be expected to outline how many people will be supported and



how; it is expected that the bidders will come up with creative and innovative solutions to ensure people's needs and outcomes are met.

Change of this nature when working with vulnerable people is often challenging; the process will need to be managed delicately with appropriate mechanisms for supporting service users through the change to the delivery model and a potential change in Provider. This requirement can be built into the scoring of the tender and form part of the decision making process to award the contract (for which a service user will be part of the evaluation panel), in addition to building in meeting timescales, which may be tight.

## **Legal Implications**

### General

The housing related support and preventative service (the Service) is to be re-procured through either two (2) contracts or three (3) or four (4) separate contracts (lots) subject to market availability. Providers will be invited to bid for all or some of the lots; lots 5 and 6 are joint awards (Lot 5 Joint award for Lots 2 & 3, Lot 6 Joint award for Lots 1 & 4).

The current total value of the existing contracts is £612K per annum. The expected value of the new contracts, including the expected savings, is likely to be over the European Union (EU) threshold of £589K for services, for the life of the contract. As a result and due to the nature of the services to be delivered the procurement is subject to the light touch regime.

Contracts of this value are regarded as key decisions under the Council's Contract Procedure Rules (CPRs). Consequently, a competitive tendering exercise is mandatory and the Contract must be advertised and tendered via the London Tenders Portal and Contracts Finder in accordance with the Council's CPRs. Additionally, as the value of the new contracts are expected to be over the EU threshold (as stated above) the Contract must be advertised via the Official Journal of the European Union (OJEU) in accordance with the Public Procurement Regulations (PCR) 2015.

The Open procedure will be followed for this procurement, following a market engagement event prior to procurement.

### TUPE

Whilst no Council staff will be affected by TUPE it is unclear whether there will be TUPE implications for staff employed by the current providers. The Council should be made aware of any TUPE implications throughout the tender process.

### Property implications – leases, licences

Whilst some of the premises used (to be used) under the Service are owned by the Council, some of the premises are owned by a housing association Metropolitan Housing Trust (MHT). Therefore, there are property law

implications in terms of leases, licences etc., and this should be considered in advance of the tender so that this information can be included with the information to potential bidders.

### Options considered: 1, 2, and 3

The third option considered at the beginning of this report is the preferred option for the Council.

If the first option is pursued there is a potential risk of challenge under the PCR 2015 from other providers which could result in legal proceedings.

If the second option is pursued, it is likely the Council will not meet its duty under section 2, Care Act 2014 which stipulates:

#### **2. Preventing needs for care and support**

*(1) A local authority must provide or arrange for the provision of services, facilities or resources, or take other steps, which it considers will—*

*(a) contribute towards preventing or delaying the development by adults in its area of needs for care and support;*

*...*

*(c) reduce the needs for care and support of adults in its area;*

## **Financial Implications**

The contracts included within this retendering exercise currently total £356k per annum for Adult Services and £256k per annum for Housing and are funded at these levels within the 2017-18 budget approved by Council in February 2017.

The review and consolidation of these contracts, subject to the procurement process, is expected to deliver efficiencies in the region of £100k for Adults and £100k for Housing and will contribute towards the 2018-19 MTFS proposals to be considered as part of the draft budget reported to Cabinet in December 2017.

## **Equalities implications / Public Sector Equality Duty**

An EQIA is in progress and will be attached to the Cabinet Report. It outlines in detail the equalities concerns and challenges attached to the potential re-procurement and makes recommendations to ensure that people are not disproportionately impacted by the proposal.

In addition, Officers have requested Equalities Monitoring Data from all Providers to help shape the new service, and be sure that it is representative of the needs of people in Harrow and is delivered in a way that is sensitive to their protected characteristics. The feedback from the Service User survey

and Service User event Officers are planning to run will also shape the future service.

## Council Priorities

The Council's vision:

### Working Together to Make a Difference for Harrow

Please identify how the report incorporates the administration's priorities.

- **Making a difference for the vulnerable** – These services are being commissioned to provide direct support to vulnerable service users and residents in Harrow.
- **Making a difference for communities** – The services will be commissioned in a way that takes account of the diversity within the Borough and supports all communities. Support for ex-offenders and substance misuse has a positive impact on community safety.
- Making a difference for local businesses
- Making a difference for families

## Section 3 - Statutory Officer Clearance

Name: Donna Edwards and Tasleem Kazmi	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 3 November 2017		
Name: Kim Todd	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 3 November 2017		
<b>Ward Councillors notified:</b>		<b>NO, as it impacts on all Wards</b>
<b>EqIA carried out:</b>		<b>YES</b>
<b>EqIA cleared by:</b>		Dave Corby, Chair of Community DETG and/or Johanna Morgan, Chair of People DETG

## **Section 4 - Contact Details and Background Papers**

### **Contact (Community- Housing):**

Jane Fernley, Head of Business Development and Transformation

Internal: 2283

External: 020 8424 1283

[jane.fernley@harrow.gov.uk](mailto:jane.fernley@harrow.gov.uk)

### **Contact (People- Adults):**

Chris Greenway, Head of Safeguarding Assurance & Quality Services

Internal: 2043

External: 020 8424 1043

[chris.greenway@harrow.gov.uk](mailto:chris.greenway@harrow.gov.uk)

**Background Papers:** None

**Call-In Waived by the  
Chair of Overview and  
Scrutiny Committee**

**NOT APPLICABLE**

*[Call-in applies]*