



Executive Director/Director Non-Key Executive Decision Report

Author/Lead Officer of Report: Emma Hickman/
Ann Ellis, Strategic Commissioning Manager

Tel: 0114 273 5638

Report to: Director - Commissioning, Inclusion & Learning

Date of Decision: 31.01.18

Subject: Extension to a contract for dispersed supported housing service for young people.

Which Cabinet Member Portfolio does this relate to? Cabinet member for health and social care

Which Scrutiny and Policy Development Committee does this relate to? Healthier Communities and Adult Social Care Scrutiny Committees

Has an Equality Impact Assessment (EIA) been undertaken? Yes No

If YES, what EIA reference number has it been given? *(Insert reference number)*

Does the report contain confidential or exempt information? Yes No

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."

Purpose of Report:

This report seeks approval to utilise the clause within a current contract for dispersed supported housing service for young people for a period of up to one year from 2nd February 2018 to 1st February 2019.

The current contract provides support accommodation in a range of properties dispersed across the City. The current contract price is £485,000.

The current contract was let in 2015 for three years plus the ability to extend for a further two years, one year at a time.

We wish to extend the contract for up to a year until 1st February 2019 .

A wider review of all our young people's housing related support contracts is underway and a new commissioning plan will be completed by the end of spring 2018. The Commissioning Plan will seek to recommission all supported accommodation for young people

Extending this contract for up to a year will allow this service to continue whilst the commissioning plan is approved and all new supported accommodation services for young people are procured and service models implemented.

The current contract has provision for:

- 6 young people in young parents dispersed accommodation,
- 10 young parents in transitional landlord provision,
- 96 young people in dispersed accommodation
- 35 people in resettlement at any one time.

The Council has identified ways in which the provision can be used in a more cost effective way, which involves:

- increasing supported accommodation for young parents
- reducing the overall number of properties by taking out those of low quality or in areas of high concentration of supported housing and swapping some units of accommodation to widen location of supported housing
- reducing the resettlement role to retain funding of support in supported accommodation.
- reducing the contract fee by £30,000.

The future contract will have provision for:

- 14 young parents in a transitional landlord provision
- 81 units of dispersed accommodation for young parents and single people, to be used flexibly but with an increase of young parent provision to current provision
- Resettlement support to young parents and young people moving on from support

Recommendations:

- That the contract held by Depaul UK, be extended for one up to one year (from 2nd February 2018 to 1st February 2019) at a reduced contract price of £455,000 (a £30,000 reduction) and a reduction of 7 supported accommodation units.

Background Papers:

- Record of delegated decision to award a contract for dispersed accommodation housing-related support service with resettlement for young people.

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: Paul Jeffries
	Legal: Henry Watmough-Cownie
	Equalities: Ed Sexton
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	Lead Officer Name: Ann Ellis
	Job Title: Strategic Commissioning Manager
Date: 26.01.18	

1. PROPOSAL

- 1.1 This report seeks approval to utilise the clause within a current contract for dispersed supported housing service for young people for a period of up to one year from 2nd February 2018 to 1st February 2019, at a reduced contract price, increase in young parent supported accommodation and overall reduction in total supported accommodation units within the contract.
- 1.2 The current contract is held by Depaul UK. The contract was commissioned in February 2015 with the intention of it being for up to five years. However, due to uncertainty of future changes and resources it was awarded for three years with the option to extend for up to two periods of twelve months.
- 1.3 The service supports single homeless young people (17-21, 16 by exception) in shared and self-contained supported accommodation and young parents (16-21) in supported accommodation and in a Transitional Landlord Service, where young parents are supported to live independently and take on the tenancy at the end of their successful support. The service provides resettlement support for service users moving on from their support. The service supports single young people, couples and young parents for a period of up to 12 months. In the case of young parents aged under 18, support is provided for up to 12 months or age 18, whichever is the longer period.
- 1.4 We have negotiated variations to the existing contract in response to budget pressures on the Council and strategic requirements. This will reduce the contract price by £30K to £455,000. The number of total dispersed accommodation units will reduce by 7 by removing properties in low demand or where there is an over-supply in certain areas of the city replacing some properties and increasing some units for young parents in response to strategic need.
- 1.5 Young people are supported around a range of support needs to enhance their health and wellbeing, develop independent living skills, and increase their resilience. These young people may be moving from homeless hostels or other temporary accommodation or from staying with friends or family
- 1.6 In February 2016 Cabinet agreed the recommendations of a report entitled *Delegated Decisions for Housing Related Support Commissioning Strategy and Budget Plan 2016 to 2020*. This sets out in Section 7 the priorities for activity in the period 2016-20 and the anticipated outcomes. Included in this is an undertaking to remodel the range of existing supported accommodation for young people in Sheffield aged 16-25.
- 1.7 The Housing Independence Service (HIS) has been working for the past

eighteen months to review and propose a remodel of the young people's services. This work will continue with a view to recommissioning all young people support services over the next 12 months.

- 1.8 It is important that this contract is extended to ensure that there is no gap in services and we have the opportunity to consider young people's services as a whole

2. HOW DOES THIS DECISION CONTRIBUTE ?

- 2.1 The services delivered by this contract develop the independent living skills of vulnerable and homeless young people, including young parents, who are unable to live with their parents and who are dealing with a range of problems. The services shelter and support these young people and encourage them to engage with relevant services and opportunities that will smooth their transition to a successful adulthood, such as health services, education, employment and training. The services help to reduce antisocial behaviour and offending and contribute towards community stability. They support young people to address issues such as drug/alcohol use and harmful relationships and behaviour.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 There has been some consultation in relation to extending the current contract with referrers to the service. This will lead to an increase in supported accommodation for young parents within the reduced contract. We undertook widespread consultation before the service was tendered and we are undertaking new wider consultation as part of the longer term review of services for young people.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 The contract relates to services for young people who are vulnerable and/or homeless. Extending the contract will benefit this disadvantaged group of young people and will not have any detriment to other people with protected characteristics. Increased provision for young parents will benefit this disadvantaged group.

4.2 Financial and Commercial Implications

- 4.2.1 The new contract price will be £455,000.00. This service is included within the budget identified for services commissioned by the Housing Independence Service for 2017-18 and within the budget forecast for 2018-19. In February 2016 Cabinet approved a four year costed commissioning plan which included this service in its costing. Over the next year a more detailed review of young people's services will be

undertaken with a view to developing a commissioning plan for such services.

- 4.2.2 Not to continue to deliver the contract for a further year will put service users at serious risk, increase homelessness and place financial and delivery pressures on other services.

4.3 Legal Implications

- 4.3.1 On 17th February 2016 Cabinet approved the report *Delegated Decisions for Housing Related Support Commissioning strategy and Budget Plan 2016 to 2020*. The report made a number of recommendations including various delegations, the authority and reference for this report is:

‘(3) That in accordance with the high level commissioning strategy and this report, authority be delegated to the Director of Commissioning to:

(b) in consultation with the Director of Commercial Services and the Director of Legal and Governance award, vary or extend contracts for the provision of housing related support;’

Note that following a portfolio restructure the duties of the Director of Commissioning (Communities) are now the responsibility of the Director – Commissioning Inclusion and Learning (People).

- 4.3.2 The contract was let in line with Council standing orders and the process was supported by the Council’s Commercial Services. The terms and conditions of the contract were drafted by the Council’s Legal Services and allow for the decision to extend the contract for one year to be taken.
- 4.3.3 The local authority is under a duty to prevent needs for care and support following implementation of the Care Act 2014. Under sections 2(1)(a) and (b) of the Act the authority must provide or arrange for the provision of services, facilities or resources, or take other steps which it considers will contribute towards preventing or delaying the development by adults in its area of needs for care and support; and to reduce the needs for care and support of adults in its area. Under sections 2(2)(a) and (b) a local authority in performing that duty must have regard to the importance of identifying services, facilities and resources already available in the authority’s area and the extent to which the authority could involve or make use of them in performing that duty; and the importance of identifying adults in the authority’s area with needs for care and support which are not being met (by the authority or otherwise).
- 4.3.4 The local authority is also under a duty to provide advice and assistance to persons in its area who are homeless or threatened with homelessness or threatened with homelessness and to provide accommodation for persons in its area who are eligible, homeless and in

priority need under Part VII of the Housing Act 1996.

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 The alternative options are:

- Further reductions in units of supported accommodation. However, it was felt that this would have a negative impact on young homeless people and would be premature to make significant changes outside of the newly developing commissioning strategy.
- To terminate the contract and decommission the services. This would leave up to 204 young homeless and vulnerable people a year, including young parents, without access to supported accommodation and ongoing resettlement. This may lead to a downward spiral in the health and wellbeing of these young people and a rise in antisocial behaviour, medical admissions and offending. It would certainly lead to pressures on the Council's Homeless Services and Children and Young People's Services as some of the service users will be care leavers.
- To go out to tender for one year while the review of the services take place. This would be unnecessary and costly in terms of capacity and resources in all teams and will not be the most efficient way of meeting value for money. The current contract terms were drawn up with the intention of utilising the extension clause to prevent unnecessary expenditure. We have recently negotiated value for money changes.

6. REASONS FOR RECOMMENDATIONS

6.1 The Council remains committed to the provision of housing related support for young people and approval of the extension of the current contract will allow time to conclude a considered review and remodelling of services, including the agreeing the process of commissioning new services. Government policy on austerity and welfare reform are having negative impacts on vulnerable people and current plans for changing housing benefits will have particular impacts on young people. It is important that we are able to consider all these impacts together in our overall plans for young people.

6.2 This service is included within the budget for services commissioned by the Housing Independence Service for 2017-18 and within the budget forecast for 2018-19.

6.3 Depaul UK has been running the young persons' dispersed supported housing service for nearly 3 years since winning the contract through an open tender process in 2014. On the back of this contract DePaul have also fund raised and brought a Night Stop Service into Sheffield to fill a

service gap. The current contract which expires on 1st February 2018 includes the option to extend the contract twice for periods of up to 12 months. We have negotiated some changes to the contract which includes a contract price reduction and the Contract continues to represent value for money.