



**Executive Director/Director
Non-Key Executive Decision Report**

Author/Lead Officer of Report: Ann Ellis
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Report to: Dawn Walton - Director – Commissioning,
Inclusion and Learning
Date of Decision: 02 August 2018
Subject: Recommendation to utilise the clause in the
contract to extend the Transitional Landlord
Service's (TLS) housing related support contract
(provided by South Yorkshire Housing Association)
until 30 November 2019.

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*"The (**report/appendix**) is not for publication because it contains exempt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 extend the Transitional Landlord Service support contract, provided by South Yorkshire Housing Association for a period from 1st December 2017 to 30 November 2019, under the current terms of the contract, but with variations to the contract units to meet resources available and to provide an alternative offer for care leavers who need supported accommodation

The extension in the contract should have been completed in November 2017, however, this was paused because the Council wanted to re-look at cost and utilisation of the service. This pause has enabled the Council to negotiate further savings to ensure that it could afford to fund the contract within available resources and to extend the provisions of the contract to meet strategic needs.

Recommendations:

1. That the Transitional Landlord Service (TLS) contract, held by South Yorkshire Housing Association be extended until 30 November 2019, utilising the 'plus one' extension clauses within the contract and varied, as detailed within this report.

Background Papers:

- a) *Delegated Decisions for Housing Related Support Commissioning Strategy and Budget Plan 2016-20*
- b) Procurement Strategy
- c) Original contract award approval

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: <i>N/A</i>
<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: 30/07/2018	

1. PROPOSAL

1.1 Background

The Transitional Landlord Service (TLS) began on 1 December 2014. The contract, held by South Yorkshire Housing Association (SYHA), is for three years, but within the contract is the option to extend it for two, one year periods.

- 1.2 The Council has conducted a review of the TLS over the contract period. The conclusion is that the service should be continued and the extensions in the contract should be utilised. It works well to settle tenants into the community and is appreciated by council housing staff. Value for money savings have been negotiated and South Yorkshire Housing Association are contributing to the cost of the service to retain adequate numbers.
- 1.3 The request to extend the contract should have been completed in November 2017, however, this work was paused because the Council wanted to re-look at cost and utilisation of the service.
- 1.4 This pause has enabled the Council to negotiate further savings to the contract as part of the 2018/19 budget targets and to enable further discussions with Children and Young People's Services about the supported housing needs of young people leaving care.
- 1.5 In early 2018, a funding and capacity reduction was negotiated with the provider. This has seen a contract price reduction of £96,715 p.a., which would be a reduction in capacity of 23 units, however SYHA agreed to cover some of the cost and the capacity only reduced by 15 units to 55 from 1 April 2018. The new contract value is £194,469 p.a., reduced from £291,184.49 p.a..
- 1.6 As part of these negotiated savings for 2018/19, it was agreed to take out the payment by results element (PBR) as the savings were much higher than the potential funding that could be withheld in the PBR scheme. The provider could not manage both a large reduction and undertake all the additional work required for a further reduction through PBR. It was therefore agreed to remove the Payment by Results aspect of the contract from 1 April 2018.
- 1.7 In March 2018, a letter was sent to South Yorkshire Housing Association confirming the reduced price and units.
- 1.8 Following further discussions with Children and Families Service, it has been agreed that 5 additional TLS units would be required to support young care leavers. Due to the level of support required the cost for the additional five units is £35,000 for one calendar year from 1 August 2018. This will provide young care leavers with support and to prepare them to take on the tenancy of their new home. The funding would be made available from the Children's Placement Budget. This has been agreed by the Director of Children and Families and the Assistant Director of Provider Services. The additional 5 units are available through the licence agreement which is already in place for 80 units. Rehousing Priorities Team has welcomed this additional provision.
- 1.9 Advice from Commercial Services is that given the proximity to the end of the first

contract extension period, approval should also be sought to execute the final 'plus 1' year.

1.10 The changes which require approval from the Director of Commissioning to vary the contract are to:

1. extend the housing related support contract for the Transitional Landlord Service for the first year's extension, until 30 November 2018; and
2. execute the final 'plus 1' year from 1st December 2018 to 30th November 2019, under the current terms of the contract,
3. reduce the contract capacity to 55 units from 1st April 2018 to 31 July 2018.
4. reduce the annual contract price to £194,469 per annum from 1st April 2018
5. remove the 'Payment by Results' aspect of the contract from 1st April 2018,
6. extend the provisions of the contract from 1 August 2018 to 60 units
7. Increase the contract price by £35,000 per annum from 1st August 2018, paid for from the Children's Placement Budget.

2. HOW DOES THIS DECISION CONTRIBUTE ?

2.1 This decision contributes to the Council's *Corporate Plan 2015-18*:

- **Better Health and Wellbeing** – the service will support service users to improve their health and wellbeing and access primary and non-emergency health services where required.
- **Tackling Inequalities** – the service will support service users to access help to manage their money (financial inclusion), to become settled in and contribute to their local community and to access education, employment and training opportunities as identified in their individual support plan.
- **Thriving Neighbourhoods and Communities** – the service will support service users to integrate back into communities after periods in custodial care and will work to ensure that service users act as responsible members of the community, reducing anti-social behaviour and neighbour nuisance.

2.2 Additionally, this decision to extend the TLS contract would contribute by:

- Continuing to meet the housing and support needs of vulnerable people; and
- To support young care leavers into independent living.

3. HAS THERE BEEN ANY CONSULTATION?

3.1 There has been consultation with stakeholders; these include other agencies, Council Departments and Providers. Stakeholders thought that the service was good and they found it easy to refer to it., It was felt to be a more gentle transition for younger people as they can get a furniture package and help with the practical tasks of managing a tenancy.

Since the consultation, there have been some improvements to the hand-over process between the TLS and the Housing and Neighbourhood Service, which has proved successful and is being rolled out to other TLS services.

Service users were generally very complimentary about the service, had appreciated the tenancy ready training and the fact that support was available for 'one-off' issues.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

An Equality Impact Assessment was carried out at the same time as the review of services that resulted in the current Contract in 2014. The contract relates to a service for people aged 18-65, who are vulnerable and homeless. A new impact assessment has not been carried out, however, extending the contract to include care leavers, between 18-25, will benefit this disadvantaged group of people and will not have any detriment to other people with protected characteristics.

4.2 Financial and Commercial Implications

The funding for this contract is included within the budget for services commissioned by the Housing Independence Service for 2017-19 and within the budget for 2018-19 and within the budget forecast for 2019-20. This is a saving of £96,715p.a. to the Housing Independence Budget.

Costs 2018/19	HIS Budget £	C&F Placement budget £	Total £
1 April 2018 to 31 July 2018	65,001	0	65,001
1 August 2018 to 31 March 2019	129,468	23,333	152,801
1 April 2019 to 30 th Nov 2019	130,001	23,333*	153,334
TOTALS	324,470	46,666	371,136

*This totals 16 months costs for C&F to the end of the contract

4.3 Legal Implications

4.3.1 The decision to extend the contract is being made in line with provisions outlined at para. 3b below. 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:

(a) 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;

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 two, one year periods, 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; 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

The alternative options are to:

5.1 Option 1: Terminate the contract and decommission the service

- This is not desirable as at any time it would leave homeless and vulnerable households without access to accommodation and support, and the guarantee of a longer term tenancy,. This may lead to a downward spiral in the health and wellbeing of these households and a rise in rent arrears, antisocial behaviour and medical admissions.

Residents in the schemes would all need to be housed without the continuation of the support or they would need to be evicted and made homeless.

5.2 Further Options

This contract has around 18 months to continue. Any further options would need more capacity than the team has to consider and implement so would not be viable.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The contract has within it the capacity to extend for two one year periods. The initial three year period ended on 30th Nov 2017, but was not extended at that time due to a number of negotiated changes that were required too late in the period to enable a straight forward extension to be granted.

Negotiations have now taken place with the provider to reduce funding and maximise units of service delivery within the reduced resources. These have been successful, but further paused to provide an opportunity for further discussions to ensure that supported accommodation options for care leavers could be provided despite the wider funding reduction. Children and Families Service has agreed to provide funding to reduce the unit loss by five units that will be ring fenced for care leavers.

- 6.2 To consolidate this range of negotiations and changes approval is now required to utilise the remaining extensions within the contract and to secure the service and formalise the variations.

Signed:



Director, Commissioning, inclusion and Learning

Date: 2/8/18