



Executive Director/Director Non-Key Executive Decision Report

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Report to: Director - Commissioning, Inclusion & Learning

Date of Decision: 5/2/19

Subject: Ending a contract for the 'Housing First' pilot by mutual agreement between the Council and The Cathedral Archer Project (the provider).

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 Committee

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

If YES, what EIA reference number has it been given? 531

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"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."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

Approval is being sought to agree to end a contract (which is a small pilot 'Housing First' service) on 26th April 2019, prior to the end of the contract period but where both the provider and commissioners mutually wish to end the contract.

Recommendations:

- That approval be given to end a contract for the 'Housing First' pilot on 26th April 2019, by mutual agreement between the Council and The Cathedral Archer Project (the provider).

Background Papers:

Record of Award of contract for the provision of a new housing related support service for single homeless people with multiple and complex needs (Housing First). Dated 16.03.17

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: 1/02/2019	

1. PROPOSAL

- 1.1 The Council is seeking to end a contract for the provision of a new housing related support service for single homeless people with multiple and complex needs (Housing First) on 26th April 2019, before the end of the contract period, by mutual agreement with the provider.
- 1.2 On 15th November approval was granted to tender for a Housing First Service. After a competitive tender, the contract for the provision of a Housing First service was awarded to Cathedral Archer Project (CAP) from 1st June 2017 to the 31st May 2020 at a cost of £354,303 over 3 years
- 1.3 In awarding the contract, the Council was testing a new approach to supporting single homeless people with multiple and complex needs, as outlined in the Housing Related Support Commissioning Strategy and Budget Plan for 2016 to 2020 and agreed at Cabinet in February 2016.
- 1.4 The service provided was intended as a pilot, working with 10 single homeless people initially, to test the success of this model of support on a small scale. Outcomes expected included improved tenancy sustainment and health and wellbeing as well as reductions in rough sleeping.
- 1.5 The Housing First service was commissioned to provide an intensive personalised service to people with multiple and complex needs based on key principles developed by Housing First England. Housing First is designed to provide accommodation and open-ended support to individuals.
- 1.6 Under the contract, the provider was commissioned to source accommodation for Housing First clients in the private rented sector, and by exception, social housing.
- 1.7 The service has faced a number of challenges:
 - One of the biggest challenges has been the lack of affordable, suitable one bedroom self-contained accommodation. The private sector has not been able to produce this type of accommodation within the limits of the Local Housing Allowance for single people and in particular for those under 35. Public sector landlords have also struggled to provide accommodation.
 - The level of non-engagement from some clients who have not felt able to take on the responsibility of a tenancy and who can earn substantial amounts of money begging.
 - Provider motivation
- 1.8 Both the Provider and the Council are seeking to end the contract before

the end date by mutual agreement.

- 1.9 The Contract allows for the Council to end the Contract at any time by giving less than six months' notice if both Parties agree. Both parties agree for the contract to end on 26th April 2019.
- 1.10 The Council is currently working with the provider to identify the support needs of all Housing First clients to ensure that appropriate alternative support is in place for clients before this contract is ended.

2. HOW DOES THIS DECISION CONTRIBUTE ?

- 2.1 Although there have been some partial successes, the expected level of outcomes has not been achieved and it is felt that this cannot be rectified within the current arrangements.
- 2.2 A decision to end this service before the end of the contract ensures that limited financial resources are funding services where outcomes are evidenced.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 Consultation has taken place between the Council as commissioner and Housing First provider. The Council will undertake a 'lessons learned' exercise with members of the Housing First Strategy Group, service users and other stakeholders.
- 3.2 Housing First as a service model has a national profile and it is important that learning from this is fed into the regional and national learning. The aim will be to acknowledge successes and identify what has not worked within this particular arrangement.
- 3.3 Service users will be supported to meet their needs through other service models.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 An Equalities Impact Assessment has been carried out and identifies potential negative equality impacts to staff around health, race and financial inclusion. Three staff are employed by the two voluntary sector provider organisations: CAP and Nomad. The Council, as commissioner, will monitor that providers are meeting with staff regarding the ending of the contract.
- 4.1.2 Although there were potential negative equality impacts identified for

existing service users, including in respect to gender, health, disability, financial inclusion and poverty, the level of impact was deemed 'low' once mitigation measures had been put in place. The Council is identifying with the provider clients' existing support needs to ensure personalised support (specific to protective characteristics, such as gender), is put in place before the termination of the contract. The Council will monitor this process. We will work with other appropriate services to continue to support service users. Funding is identified, if required.

- 4.1.3 Other services delivered by CAP and Nomad locally through different funding arrangements, will not be negatively affected by the early termination of this contract.

4.2 Financial and Commercial Implications

- 4.2.1 The contract fee for 2019/20 would be £117,907. Ending the contract on 29th April 2019, will mean the Council paying costs to deliver the service up to this date of £8,310 in the 2019/20 financial year.

- 4.2.2 In addition we may need to spot purchase support for some service users if we cannot accommodate and support them in other block contracts. We therefore anticipate retaining up to £40,000 in 2019/20 for this purpose. This represents a maximum amount for additional support, which may cost less than this. This represents a saving of approximately £70,000 in 2019/20 with a possible further saving of £20,462 in 2020/21.

- 4.2.3 The full year effect of this cost saving will be annual from then onwards

4.3 Legal Implications

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:

- (b) authority be delegated to the Director of Commissioning to terminate contracts relevant to the delivery of the Housing Related Support Strategy and in accordance with the terms and conditions of the contracts;

- 4.3.1 Under the terms of the Contract, the Council may terminate the contract with less than six months' notice if agreed by both parties:

'35.1 Without prejudice to any other rights we may have under the Contract, we may terminate the Contract at any time by giving you at least six months' notice in writing, or less if both Parties agree.'

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Option 1 – Continue the service until the end of the contract. This is not desirable as outcomes are not being achieved and accommodation is not easily available for clients in the service. This would not provide value for money for the Council nor a useful solution to individual service users.
- 5.2 Option 2 – Bring the contract to an end earlier. This would not be desirable as could present risks to the wellbeing of Housing First clients. The Council and provider will put in place support for clients who require this after the end of the contract. This needs to be planned in advance.
- 5.3 Option 3 – End the contract on 26th April 2019. This is the preferred option. The timescale permits sufficient notice to ensure support is put in place for existing clients. The termination of the contract will enable savings from the contract price.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The decision is one of mutual agreement between the service provider and the Council as commissioners.
- 6.2 The service has not produced the desired outcomes and there does not seem any reasonable prospect of this improving within the current arrangements.
- 6.3 Continued funding of the service in the current financial climate cannot be justified.