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| Report for: ACTION |
| Item Number: 14 |

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| Contains Confidential or Exempt Information | YES Appendix 2 contains Exempt Information by virtue of Paragraph 5 of Part 1 of Schedule 12A to the Local Government Act 1972 (see paragraph 10 to the Access to Information Procedure Rules) |
| Title | Housing Related Support Contract Extension |
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| Portfolio(s) | Councillor Hitesh Tailor, Health and Adult Services |
| For Consideration By | Cabinet |
| Date to be Considered | 15 th September 2015 |
| Implementation Date if Not Called In | 28 th September 2015 |
| Affected Wards | Acton Central, Cleveland, Ealing Common, Elthorne & Northolt Mandeville |
| Keywords/Index | Preventative services, Housing Related Support, Contracts |

Purpose of Report:

To recommend that Cabinet authorises the extension of the following five contracts for seven preventative accommodation-based Housing Related Support services for vulnerable adults:

- a) St Mary's Road Hostel and St Christopher's Hanwell Hostel run by West London YMCA under the one contract.
- b) Centrepoint Ealing Hostel run by Centrepoint
- c) Collette House run by London Cyrenians
- d) The 2nd Stage Mental Health service and Dame Gertrude Young House hostel run by Hestia Housing and Support under the one contract.
- e) Direct Access Rough Sleepers Hostel run by St Mungo's Broadway

1. Recommendations

- 1.1 It is recommended that Cabinet authorises the extension of the contracts for seven preventative accommodation-based Housing Related Support Services.
- 1.2 It is recommended that Cabinet authorises the extension of six services for a period of three years from the 1st April 2016 with the option to extend for a further 12 months to the following organisations:
 - a) St Mary's Road Hostel and St Christopher's Hanwell Hostel run by West London YMCA under the one contract.
 - b) Centrepoint Ealing Hostel run by Centrepoint

- c) Collette House run by London Cyrenians
- d) The 2nd Stage Mental Health service run by Hestia Housing and Support
- e) Direct Access Rough Sleepers Hostel run by St Mungo's Broadway

1.3 It is recommended that Cabinet authorises the extension one service at Dame Gertrude Young House run by Hestia Housing and Support for a period of one year from the 1st April 2016 with the option to extend for a further 12 months.

2. Reason for Decision and Options Considered

2.1 The overall contract values for the extension period for the seven services under each of the five contracts are in excess of £0.5m which constitute Key decisions and thereby require approval by Cabinet. Annual contract values for each of the services are itemised in paragraph 4.2

2.2 Housing Related Support (HRS) services are preventative services which play a key role in promoting health and wellbeing and maintaining independent living for vulnerable adults in the borough of Ealing.

West London Housing Related Support Joint Framework Agreement

2.3 The 26th July 2011 Cabinet Report anticipated that a significant number of housing related support services would be procured using the West London Housing Related Support Joint Framework Agreement.

2.4 In August 2012 London Borough of Hammersmith & Fulham (LBHF) Cabinet agreed to the implementation of the Framework Agreement.

2.5 Subsequently a report went to Ealing Council's Cabinet on the 18th September 2012 which was resolved recommending that Cabinet:

- Authorise the Council to join and use the West London Housing Related Support Joint Framework Agreement by entering into an Access Agreement with the London Borough of Hammersmith & Fulham (Primary Contracting Authority).
- Delegate to the Director of Adults' Services, following consultation with the Portfolio Holder, authority to award contracts for Housing Related Support Services called off under the West London Housing Related Support Joint Framework Agreement as appropriate during the life of the framework until summer 2016.
- Authorise the entering into of ancillary agreements (as a result of mini-competitions under the Framework Agreement) for the operation of the Framework Agreement where appropriate.

2.6 Ealing Council signed the Access Agreement with the London Borough of Hammersmith and Fulham on the 18th February 2013. The Framework Agreement expires in September 2016.

- 2.7 Since 2013 officers have procured some services to replace more expensive accommodation based services and using mini-competition procedures under the existing Framework Agreement procured five (5) preventative floating support services.
- 2.8 Transfer of Undertakings (Protection of Employment) Regulations 2006, including subsequent amendments in 2014 (TUPE), were applicable to transfers of staff from existing services in all cases incurring additional costs compared to the prices submitted on the Framework Agreement.
- 2.9 The seven preventative HRS services listed have been subject to rigorous value for money reviews, market testing, and quality monitoring over the past five years. They have been benchmarked against the mean prices under the relevant Lot on the West London Joint Framework Agreement for Housing Related Housing Support services to which they compare favourably. It should be noted that the prices submitted by tenderers under the Framework Agreement were based on the assumption that TUPE regulations would not apply. However TUPE regulations will be applicable for existing services and this may significantly increase the cost to the Council.

Future Framework Agreements

- 2.10 The West London Alliance (WLA) has advised that currently there are no plans for a replacement West London Housing Related Support Framework Agreement.
- 2.11 The current WLA Home Support Framework does not include Lots applicable to accommodation-based housing related support service provision.
- 2.12 An Exception to the Council's Contract Procedure Rules was granted on 31st January 2012 to extend those contracts identified for continued funding following the application of the Decision Principles. It had been noted that there may be circumstances where individual services would require exceptions to the Contract Procedure Rules not to go through a competitive tendering process. This would particularly be the case where the service provider is the landlord of the property.

Provider Landlords

- 2.13 There are four services where the service provider is also the landlord of the property:
- St Mary's Road Hostel
 - St Christopher's Hanwell Hostel
 - Centrepoint Ealing
 - Collette House
- 2.14 Services where care or support is provided at the property to vulnerable people by the landlord and the landlord is a "not for profit" organisation (including Registered Social Landlords and charities) they are granted "Exempt Accommodation" status under the Specified Accommodation Housing Benefit Regulations and can charge higher rent levels in recognition of the additional costs of providing specialist housing,

- 2.15 Consultation has established that landlords that also provide the housing related support service in their property will not allow another service provider to use the premises. Additionally the properties would lose “Exempt Accommodation” status under the Specified Accommodation Housing Benefit Regulations; which would significantly increase the cost of the services to the Council. The shortage of suitable properties in Ealing means that sourcing alternative properties is not a viable option.
- 2.16 The West London YMCA owns both the properties at St Mary’s Road hostel and St Christopher’s Hanwell hostel from which they deliver housing related support services to vulnerable young adults
- 2.17 London Cyrenians is both the landlord and the support provider at Collette House service for people with severe and enduring mental health problems.
- 2.18 Centrepoint is both the landlord and support provider at the Centrepoint Ealing hostel for young people leaving care.

Managed Accommodation-based Services

2.19 There are three accommodation-based services where the support service provider also manages the accommodation on behalf of the landlord:

- Dame Gertrude Young House
- 2nd Stage Mental Health
- Direct Access Hostel for Rough Sleepers

Dame Gertrude Young House

- 2.20 Dame Gertrude Young House (DGYH) hostel provides supported accommodation for homeless men who qualify as homeless under Part VII of the Housing Act 1996 and have medium to high mental health support needs.
- 2.21 The property is owned by Ealing Council and the Housing Department has a housing management agreement with Hestia to manage the property on their behalf.
- 2.22 Officers have been in discussions with the Housing Department who are currently reviewing the service at DGYH in relation to capital issues. Extending the contract would ensure stability of service provision until the review is completed and issues are resolved. There are adequate break provisions in the contract should early completion of the review require this.

2nd Stage Mental Health and Direct Access Hostel

2.23 The 2nd Stage Mental Health service run by Hestia Housing & Support provides preventative housing related support services to vulnerable adults with severe and enduring mental health problems often presenting with a range of complex needs including learning disabilities and substance misuse issues.

- 2.24 The St Mungo's Broadway Direct Access Hostel is for vulnerable homeless customers with a history of rough sleeping presenting with complex needs including substance misuse and mental health issues. Referrals to the service are mainly via the St Mungo's Broadway Ealing Street & Community Outreach Team and the Specialist Support Team (Housing Options).
- 2.25 It is well run with knowledgeable staff experienced in dealing with this challenging client group. The service has important links with other specialist rough sleeper services within the organisation for this client group providing added value to the contract.
- 2.26 Officers have consulted with the Registered Social Landlord (RSL) that owns both the properties at the 2nd Stage Mental Health service and the St Mungo's Broadway Direct Access hostel and that has a vested interest in ensuring that their vulnerable tenants are supported to maintain their tenancies. In both instances the RSL has rated Hestia Housing & Support and St Mungo's Broadway as among the best providers in their portfolio of supported housing properties in the region.
- 2.27 In addition the RSL has said that they would be reluctant for another provider to take on the support contract and housing management agreement for the Direct Access Hostel stating that the service *"is run exceptionally well. There are very good policies and procedures in place, long term staff with lots of knowledge and experience truly enjoying what they do. Clients are fully supported to rectify their behaviour... They are proactive and use innovative strategies in helping residents to meet their licence responsibilities. All the documents are completed correctly and accurately and supporting evidence is provided."*
- 2.28 In all instances the providers delivering housing related support for the seven services listed are valued and experienced organisations providing high quality preventative services contributing significant added value to the contracts. In the last five years through a process of rigorous negotiation with the service providers officers have achieved total savings to the Council of 28.3% compared to the 2011 contract values for the seven services.

3. Key Implications

- 3.1 The contract is to be extended under the current terms and conditions and contract rates.
- 3.2 The West London YMCA St Mary's Road provides support for vulnerable young people and there are ring fenced placements for Children's Services at the hostel. In addition a number of beds are allocated to referrals from St Mungo's Broadway Ealing Street & Community Outreach Team. The St Christopher's Hanwell hostel also provides support for young care leavers placed by Children's Services.
- 3.3 Centrepont provides services for young people leaving care and Children's Services place care leavers at the service in addition to referrals from the Housing Department.

- 3.4 Housing Department refers customers with mental health problems to the DGYH hostel run by Hestia Housing & Support who the Council has a duty to house under Part VII of the Housing Act 1996.

4. Financial

- 4.1 The revenue budget for Supporting People services in 2015/16 and 2016/17 is £5.227m per annum. The contracts are currently funded from within this budget and will continue to be so, if approved. There will be no increase in the annual contract values for the extension period and no new funding is being sought
- 4.2 The current annual contract values for each of the seven housing related support services are listed below:

| Organisation Name | Service Name | Units of Accommodation | Primary Client Group | 2015/16 Annual Value £m |
|--|---------------------------|------------------------|------------------------------------|-------------------------|
| Provider Landlord Services | | | | |
| Centrepont London | Centrepont Ealing | 17 | Young People Leaving Care | 0.230 |
| Cyrenians Housing Ltd | Collette House | 10 | People with Mental Health Problems | 0.137 |
| West London YMCA | South Ealing Hostel | 80 | Vulnerable Young People at Risk | 0.380 |
| West London YMCA | St Christopher's Hanwell | 30 | Vulnerable Young People at Risk | 0.176 |
| Managed Accommodation-based Schemes | | | | |
| St Mungo's Broadway | Direct Access Hostel | 24 | Rough Sleepers | 0.316 |
| Hestia Housing and Support | 2nd Stage MH | 6 | People with Mental Health Problems | 0.067 |
| Hestia Housing and Support | Dame Gertrude Young House | 23 | People with Mental Health Problems | 0.267 |
| Total | | | | 1.573 |

5. Legal

- 5.1 The extension of the seven preventative services under five contracts listed in paragraph 4.2 above will be subject to securing an exception to the Council's Contract Procedure Rules (CPRs), in addition to Cabinet authority. In particular, the exception shall be sought in accordance with CPR 47 to waive CPR 45.2 which states that: "unless a contract specifically includes an option to extend its term, that contract may not be extended. The contract will cease to exist at the end of its term." The exception will also be sought to waive CPR 31.1, which provides that "competitive tenders must be sought for contracts over the EU Threshold."
- 5.2 An Extension Agreement to the Council's current contracts as listed will be executed between the Council and the service providers in order to formally extend the contracts.
- 5.3 Further legal advice is contained in the Confidential Appendix to this report.

6. Value For Money

- 6.1 **Current processes for monitoring and reviewing costs.** Preventative monitors occupancy and planned move on (that is, leaving the service after an agreed interval) and reports to the Head of Service. The figures for these services are good.
- 6.2 **Internal reviews.** There are periodic reviews of the service provider and the service including evaluation of risk using risk matrix tools and quality measured against the comprehensive national Housing Related Support Quality Assessment Framework (QAF).
- 6.3 **Cost indicators and drivers / quality of services delivered.** The validated quality scores for the seven services against the following five Core Objectives under the QAF have been assessed as excellent or very good.

QAF Core Objectives:

- Needs Assessment and Support Planning
- Security, Health and Safety
- Safeguarding and Protection from Abuse
- Fair Access, Diversity and Inclusion
- Client Involvement and Empowerment

- 6.4 **Benchmarking to CIPFA Family and All England.** These services have been benchmarked to the West London Housing Related Support Joint Framework Agreement developed by Hammersmith and Fulham Council to which Ealing Council has an Access Agreement.
- 6.5 **Economy, efficiency and effectiveness.** In addition to the initiatives detailed above all service providers must submit a quarterly return setting out their efficiency and effectiveness in achieving the outcomes agreed with the service user. The figures for these services are good.

7. Sustainability Impact Appraisal

None

8. Risk Management

- 8.1 Mitigation of risk will be due to the fact that West London YMCA, Centrepoint, London Cyrenians, Hestia Housing & Support and St Mungo's Broadway are all successful providers on the West London Housing Related Support Joint Framework Agreement and have met the requirements for probity; insurance and registration; financial standing and capacity; health and safety; equality and diversity; environmental and social sustainability and previous experience.

9. Community Safety

None

10. Links to the 6 Priorities for the Borough

- 10.1 Safer. The Housing Related Support Programme funds preventative support services for these vulnerable client groups that provide support to those with drug or alcohol problems which helps to prevent acquisitive crime. The

programme is valuable in getting vulnerable people off the streets and provides support to those involved in violent and/or anti-social behaviours to rectify and manage their behaviours.

10.2 Healthier. Preventative housing related support services promote healthy and active living, improve independent living skills and emotional wellbeing, provide support to access Primary health care services, reduce hospital admissions and reduce Delayed Transfers of Care for customers leaving hospital.

10.3 Fairer. Under the review process and Quality Assurance Framework service providers are required to demonstrate that fair access, fair exit, diversity and inclusion are embedded within the culture of the service and there is demonstrable promotion and implementation of the policies

10.4 Accessible. As above

11. Equalities, Human Rights and Community Cohesion

11.1 An Initial Equalities Assessment was undertaken. This is attached as Appendix 1.

12. Staffing/Workforce and Accommodation implications:

None.

13. Property and Assets

The Property at Dame Gertrude Young House, 10 Castlebar Hill, Ealing, W5 1TD is owned by the Ealing Council. None of the other properties are owned by the Council.

14. Any other implications:

None

15. Consultation

None

16. Timetable for Implementation

This will be implemented on 28th September 2016 if it is not called in.

17. Appendices

Appendix 1 Equalities Analysis Assessment
Appendix 2 Confidential Appendix – Legal Advice

18. Background Information

18.1 On the 19th February 2013 Cabinet gave approval to delegate authority to the Executive Director of Adults and Children's Services to extend the contracts for the provision of Housing Related Support services at the West London YMCA St

Mary's Road Hostel, Ealing and the St Christopher's Hanwell Hostel for a period of 3 years from 1st April 2013 to 31st March 2016. (Item 14
<http://www.ealing.gov.uk/meetings/meeting/215/cabinet>)

18.2 The Portfolio Holder for Health and Adult Services gave approval on the 19th March 2013 to delegate authority to the Executive Director of Adults and Children's Services Adults to extend the following two contracts for the provision of Housing Related Support services for a period of one year from 1st April 2013 with the option to extend for a further two years on an annual basis:

- The Direct Access Hostel, Hanwell; run by Broadway Homelessness and Support; and
- Dame Gertrude Young House, Ealing and Ealing 2nd Stage Mental Health scheme, Acton, run by Hestia Housing & Support.

(Item 4 http://www.ealing.gov.uk/meetings/meeting/233/individual_cabinet_members_decision)

Consultation

| Name of consultee | Post held | Date sent to consultee | Date response received | Comments appear in paragraph: |
|--------------------------|--|------------------------|--|-------------------------------|
| Internal | | | | |
| Councillor Hitesh Tailor | Portfolio Holder Health and Adult Services | 17/08/2015 | | |
| Stephen Day | Director of Adult Social Services | 17/08/2015 | | |
| Jacky Yates | Head of Service | 11/08/2015 | 11/08/2015 | Throughout |
| Jonathan Scholtz | Senior Finance Business Advisor (Adults' Services) | 11/08/15 | 13/08/2015 | 4.1 and 4.2 |
| Donna Creffield | Lawyer, Legal, Litigation & Contracts | 13/08/2015 | 14/08/2015 17/08/2015 18/08/2015 | Throughout |
| External | | | | |
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Report History

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| Decision type: | Urgency item? |
| Key decision Yes | No |
| Report no.: | Andrew Gibbs, Commissioning Officer, gibbsa@ealing.gov.uk , Tel. 0208 825 9057 |
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