

Report to the Director of Adults and Health, Alan Sinclair

August 2022

Housing Related Support Contract Extensions

Report by Mark Dow, Head of Strategic Housing

Electoral division(s): All

Summary

Contracted services provide Housing Related Support in accommodation based settings to those experiencing homelessness or rough sleeping, young people aged 16-24 and those fleeing domestic abuse. The services assist the council in meeting its statutory duties and some of the specific outcome priorities as detailed in the West Sussex [Our Council Plan](#).

These are:

- Keeping people safe from vulnerable situations
- A Sustainable and prosperous economy
- Helping people and communities to fulfil their potential
- Making the best use of resources

This report will ask the Director of Adults and Health to consider the extension of eight Housing Related Support contracts from 1st October 2022 – 30th September 2024. The initial term of these contracts ends on 30th September 2022 and the contracts allow for an extension for a further two years.

Recommendation

The Director for Adults and Health is asked to approve the extension of eight Housing Related Support Contracts, set out in section 2 of this report, for two years from 1st October 2022 to 30th September 2024.

1 Background and context

- 1.1 The eight Housing Related Support Contracts detailed in section 2 of this report were awarded by way of single tender in October 2019. This procurement was approved in Key Decision [OKD13/19/20](#).

- 1.2 All eight contracts deliver services that are seen as a meeting the strategic fit for prevention or a statutory duty. As such, these services are a high priority for continued funding.
- 1.3 The decision to single tender these services was also based on the fact that the service providers own a substantial amount of the accommodation units attached to the services. This enables the services to be more joined up and financially efficient as the cost is spread over more than one funding stream. For example, the rents and service charges go to fund a large proportion of the service provided, so the council only partially funds the accommodation based services where the landlord is also the support provider.
- 1.4 The current contracts have an initial term of 3 years with the option to extend for up to a further 2 years. The extensions requested are therefore compliant with the WSCC Standing Orders on Procurement and Contracts and Public Contracts Regulations 2015.

2 Proposal details

It is proposed to extend the current eight Housing Related Support contracts for 2 years from 1st October 2022 to 30th September 2024. The total value of these contracts is £3,969,380 for the 2 year extension. The eight contracts for extension are set out below:

- Bognor Housing Trust (Homelessness and rough sleeper provision)
- Crawley Open House (Homelessness and rough sleeper provision)
- Stonepillow (Homelessness and rough sleeper provision)
- Turning Tides (Homelessness and rough sleeper provision)
- Home Group (Young Person's provision for those with complex needs and mental health issues)
- Sanctuary Housing Association (Young Person's provision)
- YMCA DLG (Young Person's provision)
- Safe in Sussex (Refuge services for women fleeing domestic violence)

3 Other options considered (and reasons for not proposing)

- 3.1 One of the other options considered was re-tendering. As part of the consultation undertaken with providers and stakeholders, it has become apparent that there are gaps in service provision, especially around provision for young people with complex needs. The development of any new or altered provision will need careful planning and joint working with providers and stakeholders. This piece of work will not be completed by the time the initial term of the contracts ends on 30th September 2022. Over the course of the 2 year extension period, we will be looking at the various options open to us in preparation for retendering in the spring of 2024. It may be that we will look to seek approval for some single tenders but there may be some competitive

tender opportunities as well. A full options analysis will be undertaken before any proposals are made.

The other option considered was to terminate the contracts. However, these contracts provide services that help meet West Sussex County Council's statutory duties and as such, are seen as a priority for continued funding. The services are well utilised and provide vital accommodation and support for those experiencing homelessness and/or rough sleeping. They also provide value for money as detailed below at 5.2 (a)

4 Consultation, engagement and advice

4.1 We have consulted with providers and key stakeholders to get a balanced view of how effective the services are. Feedback for the most part has been very favourable. However, there are some identified areas where improvement is needed. Some of these can be achieved relatively easily. These issues will be addressed through clarifying contractual obligations in the service specifications. Other, longer term pieces of work such as looking to remodel our Young Person's services so that they can accommodate those with higher levels of need, will be carried out over the course of the contract extensions.

5 Finance

5.1 Revenue consequences

	Current Year 2022/23 £m	Year 2 2023/24 £m	Year 3 2024/25 £m
Revenue budget	1.0	2.0	1.0
Cost of proposal	1.0	2.0	1.0
Remaining budget	0	0	0

5.2 The effect of the proposal:

(a) How the cost represents good value

This proposal provides value for money as the contract prices are the same as they were when the contracts commenced on 1st October 2019. Despite the impact of rising inflation, the providers have confirmed that they will be able to maintain service levels during the extension period.

In addition, each provider delivers added value by way of the other services they provide which are funded through alternative funding streams. For example: both Turning Tides and Crawley Open House also provide a wide range of move on accommodation, which is funded purely through rents and service charges. These move on houses ensure that the Housing Related Support funded services do not

become silted up and help to create a pathway to independence for those experiencing homelessness or rough sleeping.

The services provide a very cost effective way of delivering support and accommodation to a wide range of vulnerable people who might otherwise be homeless. For example : in the last financial year, a total of 403 young people were accommodated and supported by the Young Person’s Housing Related Support services. The total annual spend on these services was £1,194,343, which equates to a cost to WSCC of just £2,963.63 per annum for each young person who was supported and accommodated during the year.

(b) Future savings/efficiencies being delivered

Prior to single tendering the services in 2019, there was a 15% reduction in the annual contract value for all eight services. As the contract prices remain the same as they did in October 2019, additional savings will not be made from these contracts at this time. However, the two year contract extensions, give us as Commissioners, the opportunity to look in more detail at the gaps in provision with a view to developing services further to meet these needs. This may lead to some competitive tender opportunities or reshaping of existing services which in turn may lead to some efficiencies.

(c) Human Resources, IT and Assets Impact

This proposal has no impact on WSCC IT systems, HR implications or any County Council assets.

6 Risk implications and mitigations

Risk	Mitigating Action (in place or planned)
Market perception of not tendering	<p>The risk of challenge to these extensions is minimal due to:</p> <ul style="list-style-type: none"> • All extensions being compliant with WSCC Standing Orders on Procurement and Contracts and Public Contracts Regulations 2015 • The scope of the contracts remaining the same for the duration of the extensions

7 Policy alignment and compliance

7.1 Our Council Plan

The Services help to meet some of the specific outcome priorities as detailed in the West Sussex *Our Council Plan*. Namely:

- Keeping people safe from vulnerable situations.
- A sustainable and prosperous economy.
- Helping people and communities to fulfil their potential.
- Making the best use of resources

7.2 **Legal Implications**

Officers have consulted with the council's Legal and Procurement teams to ensure that the process of contract renewal is fair and robust and can withstand challenge. The extensions have been deemed to be at low risk of challenge as they are all compliant and allowed for within the original decision. In addition, the scope of the contracts will remain the same for the duration of the extensions.

7.3 **Equality duty and human rights assessment**

As part of their contractual obligations, service providers seek to ensure that the services delivered respect and include everyone regardless of their:

- gender or gender reassignment
- marital status (including civil partnership)
- sexual orientation
- race, language, ethnic or national origins and nationality (including citizenship)
- religious belief
- disability and / or medical conditions
- age
- whether they have dependants
- trade union membership status and activity or political views/affiliations

In addition, any work done to further develop services over the period of the extensions will take fully into account the council's duty to have regard to its public sector equality duties.

7.4 **Climate Change**

We are working with the providers of the eight services, to help mitigate the effects of climate change and assist in meeting the Council's target of reducing carbon emissions to net zero by 2030. We have already changed the way we interact with our providers by hosting most of our contract meetings via Teams. As the eight services are spread right across the county, this has a significant, positive impact on the amount of miles driven to conduct these meetings. This transformed way of working has therefore contributed to reducing the Council's carbon footprint.

7.5 **Crime and Disorder**

Several commissioned services contribute to the council's role in reducing crime and anti-social behaviour. The Homelessness and Rough sleeper provision contributes particularly to this role by ensuring that those who would otherwise be on the streets and extremely vulnerable, are accommodated and supported wherever possible. This provision also reduces the risk of anti-social behaviour associated with this customer group.

In addition, the support provided in our domestic abuse services help customers manage perpetrator risk and assist in seeking legal remedies such as injunctions.

7.6 **Public Health**

This proposal supports some Public Health initiatives, particularly through the delivery of the Homelessness and Rough sleeper services. These services provide support for some very complex customers, many of whom have substance misuse issues. The

support provided to individuals to address their substance misuse, contributes to the Public Health initiative of reducing drug related deaths and substance misuse.

In addition, all eight services support customers who may have mental health or emotional wellbeing issues and help them to link in with specialist support where needed.

7.7 Social Value

The commissioned services are only part funded by these proposals and the service providers' premises are operated as community hubs delivering support and assistance to a wider client group than is funded by these contracts.

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Appendices: None

Background Papers: None