

REPORT TO: Executive Board
DATE: 5 September 2013
REPORTING OFFICER: Strategic Director, Communities
PORTFOLIO: Physical Environment
SUBJECT: Homeless Accommodation Update
WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To seek approval to tender for Halton Domestic abuse Service and to seek approval on proposals concerning homelessness services and to seek approval to waive standing orders to extend existing contracts for Belvedere and Orchard House.

2.0 RECOMMENDATION: That Executive Board:

- 1) **agree to using Procurement Standing Orders 1.8.4 (a) and (e) to waive Part 2 of Procurement Standing Orders which refer to contracts between £173,934 and £1,000,000 in value, to extend existing contractual arrangements with Community Integrated Care (CIC) for the provision of support services at Belvedere Homeless Hostel and Orchard House Homeless Hostel for a period of 12months from 31/10/13-31/10/14, with an option to extend for a further 6months, to be determined on a month by month basis, in order to maintain levels of provision to meet current and anticipated demand and to ensure continuity of service;**
- 2) **agree to using Procurement Standing Orders 1.8.4 (a) and (e) to waive Part 2 of Procurement Standing Orders which refer to contracts between £173,934 and £1,000,000 in value, to extend existing contractual arrangements with Your Housing Group for the provision of support services at Grangeway Court for a period of 12months from 05/10/13-05/10/14, in order to maintain levels of provision to meet current and anticipated demand and to ensure continuity of service, whilst refurbishment works are undertaken;**
- 3) **approve the capital expenditure set out in the financial implications (section 6) relating to capital improvement works at the Council owned buildings at Grangeway Court;**
- 4) **approve the proposal to tender for the provision of the**

Support Services at Grangeway Court, with a view to awarding the new contract with effect from 05/10/14; and

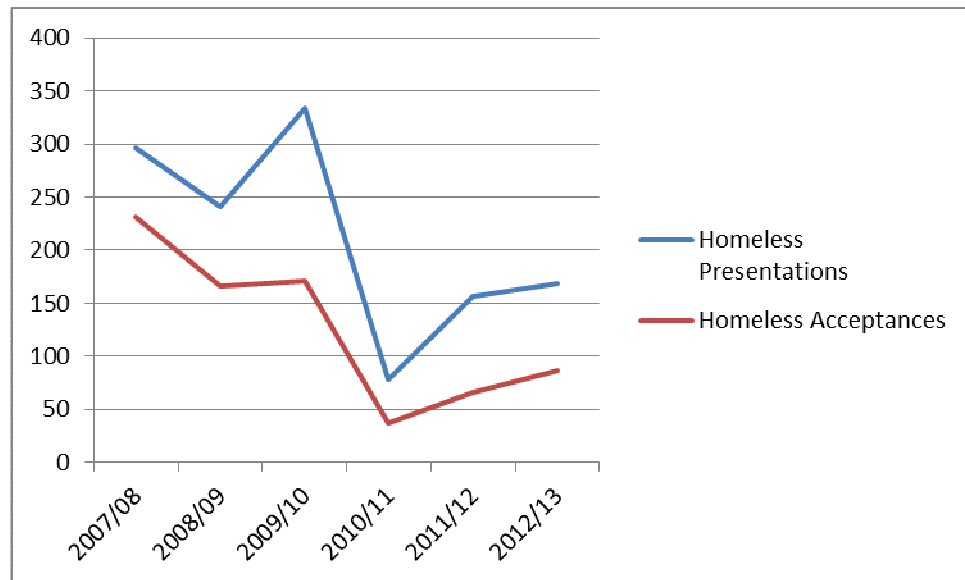
- 5) approve the proposal that the contract with Halton YMCA for the provision of the Nightstop service will expire on 30/09/13. Approve the proposal to tender for the provision of the Halton Domestic Violence Service, with a view to awarding the new contract with effect from 01/04/14.**

3.0 SUPPORTING INFORMATION

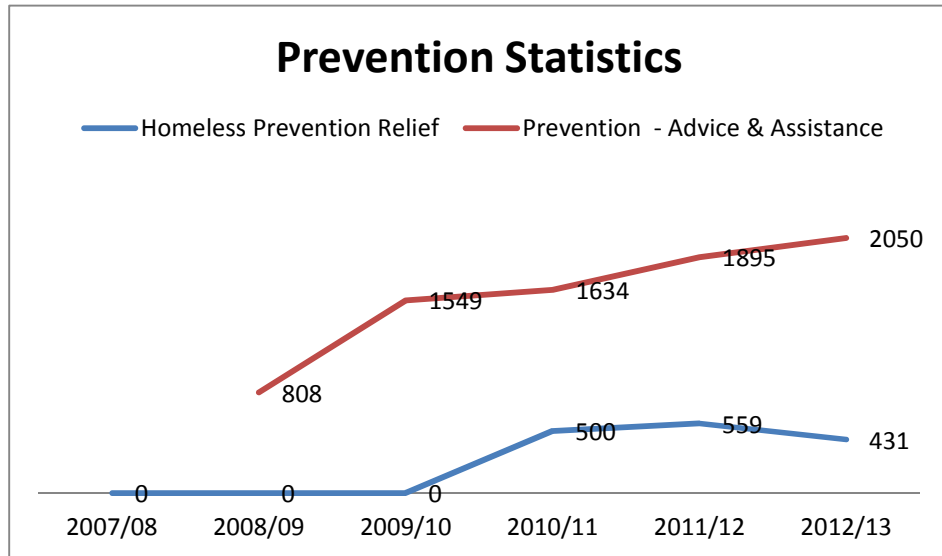
3.1 Prevention of homelessness

- 3.1.1 The 2006 Code of Guidance on statutory homelessness shifted emphasis from a duty to assist those whose homelessness need was immediate, to an approach which offers much earlier intervention to prevent homelessness. Local Authorities were directed to provide prevention advice and assistance to anyone at risk of homelessness, regardless to whether or not they were statutorily homeless. Halton embraced this approach to the prevention of homelessness and over the last five years has seen a significant decrease in the number of people applying as statutory homeless and in the number being accepted as statutory homeless. This is highlighted in the chart below:

Statutory Homelessness



- 3.1.2 At the same time there has been a significant increase in the number of local people provided with advice and assistance in order to prevent them from becoming homeless. The chart below illustrates the position:



3.1.3 Following the 2011/2012 PPB Scrutiny Review of Homelessness, a number of changes were made to the service offer in Halton's homelessness hostels. Key changes included a move away from open access to homeless hostels, to accommodating the most vulnerable individuals to whom we owe a statutory duty; and improving move on support with a view to helping individuals secure their own accommodation as soon as possible. This approach has proved highly successful and over the last twelve months we have seen a significant improvement in the move on of individuals and a significant increase in the number of individuals securing their own accommodation, as opposed to being accommodated within hostel provision. Whilst this is a positive outcome for individuals, it has resulted in an increase in void levels across hostel provision.

3.1.4 Access to homeless hostels has been managed through the Housing Solutions Team for a number of years, which has ensured that services were targeted towards meeting local need. This latest approach ensures that accommodation based solutions to housing need are only put in place where a statutory duty exists to do so and no other alternative housing is available.

3.1.5 The detailed position regarding occupancy levels, local occupancy and cost is attached in Appendix 1.

3.2 Grangeway Court

3.2.1 The service at Grangeway Court has been managed by Your Housing Group (Formerly Arena) since October 2008. The service has been well managed and has performed well. However, over the last year occupancy rates have started to reduce, varying between 84% and 50%, and averaging 67% during 2012/13.

- 3.2.2 It is likely that the reason for this reduced occupancy rate is the effectiveness of homelessness prevention, leading to reduced demand locally. Referrals are made through Housing Solutions, which ensures that the service is targeted at meeting local need.
- 3.2.3 During the 2011/2012 scrutiny review of homeless services members noted that the accommodation was in need of refurbishment and that there was a need for communal facilities.
- 3.2.4 The buildings at Grangeway Court are owned by Halton Borough Council and section 6 of this report sets out the estimated capital expenditure for the refurbishment, including the conversion of four units to provide communal/training facilities and works to improve security by increasing CCTV coverage and closing off public access through the site.
- 3.2.5 The proposal will reduce the number of units from 30 to 28, which is still viewed as sufficient to meet local need. However, occupancy levels will continue to be reviewed to monitor the impact of the welfare reforms.
- 3.2.6 Subject to Board approval to proceed with the refurbishment, this report also seeks a waiver of standing orders in order to extend the existing contractual arrangements for a period of 12 months, until 5th October 2014. A waiver is sought in order to ensure that levels of service are maintained to meet local need and to ensure continuity of service to vulnerable people, whilst the refurbishment work is undertaken.
- 3.2.7 Subject to the above extension, approval is also sought to conduct a tender for the provision of services at Grangeway Court with a view to awarding a new contract by 5th October 2014.

3.3 **Belvedere/Orchard House**

- 3.3.1 The Executive Board have previously agreed proposals to decommission Belvedere and to re-commission Orchard House as a Homelessness Crisis Intervention Service, when the new homelessness hostel opens in Widnes. This had originally been expected for autumn 2013 and in anticipation CIC, the current provider, agreed to extend their contracts to 31st October 2013.
- 3.3.2 In the intervening time Cosmopolitan Housing Association, who had secured the funding to develop the hostel in Widnes, ran into financial difficulty and had to surrender their development programme and grant funding. Other providers were invited by the Homes and Communities Agency (HCA) to submit proposals to utilise the clawed back grant and Halton Housing trust submitted a bid to take the lead in developing the hostel.
- 3.3.3 Funding decisions by the HCA are imminent, but due to lost time the timetable for completing the development is late 2014/early 2015. Further delay will put the project at risk as under current rules, HCA will not pay

grant on any scheme that does not complete by March 2015.

3.3.4 As the decision has already been taken to close Belvedere and remodel Orchard House, subject to the development of a new hostel in Widnes, this report seeks approval to extend the existing contractual arrangements with CIC for 12 months until 31st October 2014, with an option to extend for a further 6 months, on a month by month basis. The impending closures mean that compliance with standing orders is not possible and the extension would ensure that we retain provision to meet local need and continuity of service to vulnerable people.

3.5 **Domestic Abuse Services**

3.5.1 The domestic abuse service in Halton comprises 4 elements –

- Supported accommodation in a 15 bedroom hostel.
- A floating support service to assist victims in the community.
- Access to an Independent Domestic Violence Advisor (IDVA).
- A Sanctuary Scheme to improve the physical safety features in victim's homes.

3.5.2 Halton and District Women's Aid (HDWA) has held a contract with the Council to provide services since 2003, the current annual value is £231,542 per annum.

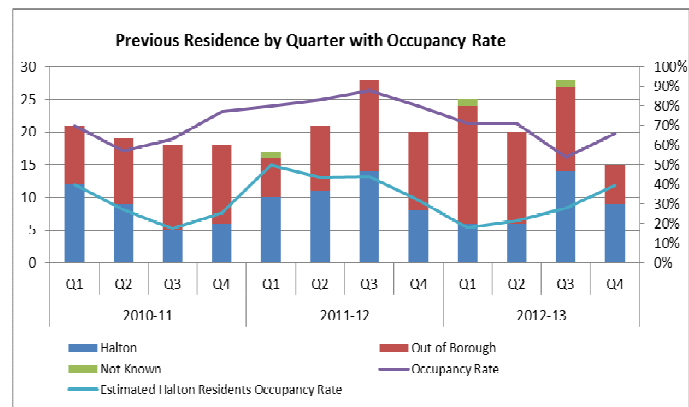
3.5.3 The Domestic Abuse service was routinely re-tendered in 2012 but the only bid received was from HDWA. It was therefore decided to extend the existing contract until such time as further work could be done to develop the market. The current contract is due to expire on the 31st March 2014.

3.5.4 During the 2011/12 PPB Scrutiny review of Homelessness members raised concerns about the condition of the refuge. The building, whilst managed by HDWA, is owned by English Churches Housing Group (ECHG), part of the Riverside group. Subsequent discussions with ECHG have resulted in funded proposals to refurbish the hostel and to reduce capacity from 15 bedrooms to 12 self-contained units. According to ECHG the unit would not be financially viable to them as landlords if they received rent from any less than 12 units. The works are likely to be undertaken in the second half of this financial year although a final timetable is still awaited from ECHG.

3.5.5 Whilst the above refurbishment is to be welcomed in that it will significantly improve the dignity and well-being of individuals living at the hostel by providing self-contained family units, the size of the service remains excessive when we consider local demand for this service.

3.5.6 Details of the occupancy levels and former residency are shown below:

Refuge Occupancy Rates and previous residence over 3yrs:



Breakdown of information:

Year	Quarter	Previous Address			Total	*Occupancy Rate %	Est occ Halton residents only %
		Halton	Out of Borough	Not Known			
2010/11	1	12	9	0	21	70	40
	2	9	10	0	19	57	27
	3	5	13	0	18	63	18
	4	6	12	0	18	77	26
2011/12	1	10	6	1	17	80	50
	2	11	10	0	21	83	43
	3	14	14	0	28	88	44
	4	8	12	0	20	80	32
2012/13	1	6	18	1	25	71	18
	2	6	14	0	20	71	21
	3	14	13	1	28	54	28
	4	9	6	0	15	66	40

* Please note occupancy rates are calculated taking into account the length of stay in addition to number of people in the service

3.5.7 Occupancy levels over the last three years are just above 70%. However, 51 out of 88 (58%) people accessing the service in 2012/13 were from out of borough. This compares to only 11 Halton cases being accommodated elsewhere, highlighting that Halton is a significant net importer of domestic abuse victims. A contributing factor to the reduction in local demand is our commitment to preventing homelessness and to keeping women and families at home whenever it is safe to do so.

3.5.8 This therefore means that the cost of the current refuge service equates to:

Cost of Refuge service

Refuge service costs approximately 58.5% of total contract value (on pro-rata basis of previous contract values)

Contract value	£216,542
Refuge service element	£126,677
Weekly unit cost (service operating at full capacity)	£162.41
Indicative unit cost (based on 2012-13 average utilisation)	£248.46
Indicative unit cost (based on occupancy levels for Halton residents only)	£625.78

- 3.5.9 Consideration was given to defer re-tendering of the service until after the hostel refurbishment was completed. However, in addition to concerns over the utilisation of the service, the following concerns over the performance of the current provider came to light in this financial year.
- 3.5.10 The electronic case recording system, MODUS, was not being routinely used or updated by HDWA, potentially creating safeguarding issues. Members of the Multi-Agency Risk Assessment Conferences Board also highlighted that update reports concerning actions due to be undertaken by HDWA were often either not actioned or were inadequate, again creating potential safeguarding issues.
- 3.5.11 It was agreed with Elected Members that Officers from the Commissioning and Quality Assurance Teams would provide support to the current provider to improve performance. The following support has been provided to HDWA:
- The Council provided the equivalent of 15 days officer time to update MODUS, relieving HDWA of the pressure to deal with the backlog, so they could in effect start using the case management system with a clean slate.
 - The Council paid for Paloma (the software company) to provide dedicated training to HDWA staff on the 22nd May in the use of the system.
- 3.5.12 Having assisted to bring the MODUS system fully up to date an audit was undertaken between the 10th to 12th of June by Council officers to check that HDWA staff were continuing to maintain and update the system as per discussions and the contract variation. Despite the support described in 3.6.11, officers concluded that despite some slight improvement, record keeping was still inconsistent and incomplete. These deficiencies were highlighted to HDWA staff in a follow up meeting and priorities for action were identified in an attempt to manage the shortcomings to minimise risk.
- 3.5.13 Taking into consideration on-going concerns over the performance of the current provider, it is proposed to re-tender the service as soon as possible with a view to having a new contract in place by 1st April 2014.

3.6 **Nightstop**

3.6.1 In order to improve homelessness prevention for young people between 16 and 18yrs, the Housing Solutions Team, in partnership with Children's Services, agreed to dedicate the time of a housing solutions advisor to assist young people at risk of homelessness. The post has proved extremely successful and through mediation between the young person and parents the officer has been successful in keeping 85% of young people at home. However, over the same period of time we have seen a significant reduction in the number of young people requiring assistance through the commissioned Nightstop service. Performance information also indicates that the performance of Nightstops mediation service is poor when compared with the success rate of the mediation provided through the Housing Solutions Team. The current contract value for this service is £46,250. The unit costs are broken down below:

Unit cost breakdown

Service element	Cost per unit	Cost per week
Bed nights	£126.98	£888.86
Mediation	£75 per hour	N/A

This is based on 256 hours mediation which is approximately 5 hours per week and 213 bed nights provided which is approximately 17% utilisation.

3.6.2 The service is currently commissioned through Halton YMCA at a cost of £46,250 per annum. The current contract includes an option to extend the contract on an annual basis up to 1st April 2015. However, taking into consideration reduced demand for the service and poor performance in terms of outcomes, the existing contractual arrangements have only been extended until 30th September 2013.

3.6.3 Despite a number of recent changes implemented to improve performance, there is no evidence of local need for this service, or any significant improvement in performance. It is therefore proposed that the current contract expires with effect from 30th September 2013. Young people will be able to access the housing solutions advisor dedicated to young people, Orchard House will continue as an option and an annex at the existing YMCA will be utilised to provide night stop accommodation. This will release a saving to the Council of £46,250 and will be used as part of the savings target required by the Council for 2014-15.

4.0 **BUSINESS CASE SUPPORTING THE PROPOSAL TO WAIVE**

4.1 Value for Money & Competition

Existing contracts Belvedere and Orchard House were awarded following a competitive tendering process and as part of that process were assessed for value for money. The impending closures and remodelling will provide opportunities for efficiencies.

The existing contract for Grangeway Court was awarded following a competitive tendering process and as part of that process the submission was assessed for value for money. Subject to Board approval a further competitive tender exercise will be undertaken in 2013/14.

4.2 Transparency

In order to ensure transparency, the services will continue to be closely monitored by Halton Borough Council against set standards within the existing contract specifications.

4.3 Propriety & Security

The contracts comply with Halton Borough Council's Standing Orders in relation to procurement. The contracts are liable to termination if any instances of corruption by this organisation or its staff members occur, ensuring compliance with anti-corruption practices.

Additionally if the services fail to meet the performance standards and targets set to the satisfaction of the Council, then the Council will have the option to terminate the contracts, giving 3 months' notice.

4.4 Accountability

The Operational Director for Commissioning & Complex Care has responsibility for all contracts.

In common with other contracts this process will be open to both internal and external audit.

4.5 Position of the contract under the Public Contracts Regulations 2006

Under the Public Contracts Regulations 2006 Health and Social Services are part-exempt services. It is in any event subject to fundamental transparency and non-distortion of competition requirements and the award of any contract must be advertised in the Official Journal within 42 days of the award of the contract.

5.0 **POLICY IMPLICATIONS**

5.1 The proposals set out in this report are in line with Halton's Homelessness strategy.

6.0 **FINANCIAL IMPLICATIONS**

6.1 Detailed costs for the proposals set out in this report are set out in Appendix 2.

6.2 Domestic Violence Service

Although the capacity of the service post the remodelling will reduce to 12 units, it is not anticipated that the tender will result in any significant savings as staffing levels are likely to be maintained in order to provide an 24hr service. Following the award of the contract in April 2014, It is proposed that in light of the current welfare reforms and potential impact on domestic violence services that the service and arrangements are reviewed in 18 months' time to assess whether provision is meeting local need.

6.3 The capital costs for Grangeway Court improvements are estimated at £347,160.

6.4 The cost of proposals set out in the report can be met within existing budgets.

7.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

7.1 **Children & Young People in Halton**

Homeless services provide safe accommodation and support for children, young people and families. Wherever possible children and young people are enabled to remain in their home and continue to access and maintain existing schools, health services and support networks.

7.2 **Employment, Learning & Skills in Halton**

Individuals within Haltons' homelessness services are supported to maximise opportunities to access training and employment.

7.3 **A Healthy Halton**

All services support people to minimise the risks of harm, and access relevant services to improve their physical and mental health and wellbeing.

7.4 **A Safer Halton**

Homeless services safeguard children, young and vulnerable people and families by providing safe accommodation or support to remain safe at home.

7.5 **Halton's Urban Renewal**

None identified.

8.0 **RISK ANALYSIS**

8.1 This report has highlighted that Halton's success in preventing homelessness and targeted approach to the provision of services to the

most vulnerable, has resulted in an a reduction in occupancy across our homeless services. However, the report also highlights that more recently we have started to see an increase in the numbers of people approaching the Housing Solutions team for assistance.

8.2 The proposals set out in this report will ensure that we have sufficient continued provision to meet our statutory duty to assist people at risk of homelessness, but will also allow us to review our position over the next 12months to 2years when we will be in a position to assess potential future need taking into account the full impact of the fiscal downturn and the welfare reform.

9.0 **EQUALITY AND DIVERSITY ISSUES**

9.1 All support providers are required to demonstrate that they embrace and comply with the Equality Act, and services are monitored to ensure this is the case.

10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

Document	Place of Inspection	Contact Officer
Homelessness Services Executive Board Report 12/07/12	Municipal Building Widnes	Strategic Director Communities
Reconfiguration of Domestic Abuse Accommodation Services Executive Board Report 29/11/12	Municipal Building Widnes	Strategic Director Communities
Reconfiguration of homelessness service at Orchard House Executive Board Report 13/12/12	Municipal Building Widnes	Strategic Director Communities