

Report No.
HPR2021/050

London Borough of Bromley

PART 1 - PUBLIC

<Please select>

Decision Maker: EXECUTIVE
FOR PRE SCRUTINY BY THE RENEWAL, RECREATION AND
HOUSING PDS COMMITTEE ON THE 12TH OCTOBER 2021

Date: 20th October 2021

Decision Type: Non-Urgent Executive Key

Title: TENANCY AND FLOATING SUPPORT SERVICES FOR
HOMELESS PEOPLE

Contact Officer: Lynnette Chamielec, Assistant Director, Housing
Tel: 0208 313 4009 E-mail: lynnette.chamielec@bromley.gov.uk

Chief Officer: Sara Bowrey, Director, Housing, Planning and Regeneration.
Tel: 0208 313 4013 Email: sara.bowrey@bromley.gov.uk

Ward: All Wards

1. REASON FOR REPORT

- 1.1 The Council currently holds a contract for accommodation based support; 9 units of accommodation and floating support for up to 100 households with Hestia.
- 1.2 In January 2020 officers requested permission to extend the contract with Hestia in order to align it with the ending of another support contract which is due to expire in March 2022. That contract is currently held by Evolve and operated out of accommodation which is owned by the Riverside Housing Group.
- 1.3 We have been notified that the accommodation owned by the Riverside Housing Group will no longer be available for use by a third party support provider and therefore the proposal to amalgamate the two services is no longer viable.
- 1.4 This report is requesting that the Executive agree a temporary extension of 6 months to the contract with Hestia, extending it the 30th of September 2022, to enable that service to be reviewed and re-tendered for separately.

2. RECOMMENDATION(S)

- 2.1 The Renewal, Recreation and Housing PDS Committee are asked to note and comment on the contents and recommendations contained within this report.

- 2.2 The Executive is recommended to authorise an extension to the existing contract period in order for the service to proceed to competitive tender.
- 2.3 The extension would start on the 1st of April 2022 for a period of 6 months, ending on the 30th of September 2022. The cost of the extension would be £97,550 bringing the total life value of the contract to £1,170,606.
- 2.4 Hestia have confirmed that, if approved by Members they would not require any additional financial uplift for the extension period. The Home Group who manage the accommodation utilised by Hestia to provide the accommodation based support have confirmed that they would continue to make their accommodation available to Hestia for the duration of any extension period.

Impact on Vulnerable Adults and Children

1. Summary of Impact:

The provision of accommodation based support ensures services are provided for ex offenders who have experienced homelessness, enabling them to move forward and secure and sustain permanent housing.

The floating support ensures that clients are able to sustain their tenancies thus reducing the risk of relapse or repeat homelessness.

Corporate Policy

1. Policy Status: Existing Policy
2. BBB Priority: Supporting Independence Healthy Bromley Regeneration

Financial

1. Cost of proposal: Estimated Cost: £98k (6 months) which brings the total life value to £1,171k
2. Ongoing costs: Not Applicable
3. Budget head/performance centre: Supporting People
4. Total current budget for this head: £1,029k
5. Source of funding: 2021/22 revenue budget

Personnel

1. Number of staff (current and additional): N/A
2. If from existing staff resources, number of staff hours: N/A

Legal

1. Legal Requirement: Statutory Requirement: Fulfills the Councils statutory Re-Housing Duties.
2. Call-in: Applicable

Procurement

1. Summary of Procurement Implications:

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):

There are currently in the region of 1800 households in temporary accommodation.

This will ensure that existing provision can remain in place pending the re-tendering of the service.

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 Historically, properties sourced for the provision of supported temporary accommodation in Bromley were set up with the accommodation and support being managed by one provider. The Supporting People regime, which has now ended, split these elements and moved support into a contracted arrangement. This has proved challenging in some instances as where this was split it has meant that there are no overall strategic lead for services.
- 3.2 It had previously been agreed by Members that officers would seek to amalgamate this support contract, which includes a small, 9 bed accommodation provision along with a larger floating support service with another support contract. The end dates of which were aligned. However, this was delayed due to the pandemic. An extension to all expiring support contracts were sought and agreed in order to stabilise services and support our residents; providing continuity of service and avoiding any potential unnecessary move on.
- 3.3 However, following notification from the accommodation provider involved in the other support contract that they intend to withdraw their accommodation in order to make a direct proposal to the Council it is no longer viable to amalgamate the two contracts.
- 3.4 The floating support provided by Hestia is designed to avoid tenants in general needs social housing losing their existing tenancies. This has a positive impact on reducing the pressure on housing services and ensuring that the number of presentations from households losing their social housing tenancies remains low. The service is not a frontline homelessness service, but a short term service designed to intervene prior to crisis in order to resolve problems and prevent escalation.
- 3.5 Hestia worked proactively with the Council during the pandemic. They did not seek any additional resources and ensured that continuity of service was provided.
- 3.6 Officers are seeking permission to extend the contract with Hestia for a further 6 months in order to put the service out to tender. If agreed Officers will be working with the procurement team between now and January 2022 in order to formulate the procurement strategy and proceed to tender in February 2022.

4 SUMMARY OF BUSINESS CASE

- 4.1 The Council requires access to a range of solutions in order to meet its statutory responsibilities in respect of housing and is committed to ensuring that Bromley homes are available for Bromley residents as well as working with partners to ensure that we have access to a diverse range of accommodation which meets the needs of our residents.
- 4.2 In the Housing Strategy 2019-2029 we set out how we will support our residents to access the right accommodation to meet their needs and to support them to thrive and sustain their own homes in the future.
- 4.3 There are currently approximately 1800 households in temporary accommodation, 1200 of which are in expensive nightly paid accommodation. Given the scarcity of affordable local accommodation the Council has had to procure accommodation both within and outside of London. Whilst not all households require local accommodation it is essential that the Council maximises its opportunities to source as much good quality, local, affordable accommodation as possible in order to meet the needs of those who require assistance.

5. SERVICE PROFILE / DATA ANALYSIS

- 5.1 This contract provides accommodation and support to 9 ex-offenders and floating support for (up to) 100 tenants who have been identified as vulnerable and requiring support to maintain existing social tenancies, reducing the pressure on housing services and helping to ensure that the number of presentations from households losing their tenancies remains low.
- 5.2 Hestia have continued to support clients throughout the pandemic and beyond. Last month they launched their Fresh Start Toolkit which is aimed at those experiencing and fleeing from domestic abuse.
- 5.3 The 21st August was National Probation Day. To celebrate, Approved Premises from across the country entered a series of competitions, demonstrating the creative skills of the staff and residents in the services and Hestia encouraged residents to highlight their gardening, artwork, poetry and baking skills.

6 OPTIONS APPRAISAL

- Option 1: Extend the existing contract for a period of 6 months.
- Pros: Existing residents are not displaced; meaning no decanting or utilisation of alternative accommodation (such as expensive nightly paid units).
The Council retains use of in borough accommodation; ensuring access to existing support services and networks are preserved.
There will be no increase in costs.
- Cons: Delaying competitive tender for 6 months.
- Option 2: Reject the extension and proceed to competitive tender.
- Pros: This would be in line with former agreed timescales.
- Cons: The timescale for re-tendering is very tight and may impact on the Council's ability to secure the best deal both financially and for the clients.

7 PREFERRED OPTION

Option 1 is preferred in order to have sufficient time to proceed with the tender.

8 MARKET CONSIDERATIONS

- 8.1 There have been increases in the market due to enhancements in service provision but also as a result of the pandemic. For providers of supported accommodation and those providing community outreach and support work, this has been particularly challenging and enhancements to services have had to be made in terms of enhanced cleaning, staffing and customer assistance. The impact of this will likely be felt for many years to come. Given this and the re-opening of the Council's Housing Revenue Account (HRA) the Council will need to consider what support services are required to meet the needs not only those it assists into settled accommodation but also the needs of those housed in Council owned stock in the future.

9 SOCIAL VALUE AND LOCAL / NATIONAL PRIORITIES

- 9.1 The provision of housing focused support meets the aims and aspirations set out within the Housing Strategy 2019-2029 and allows the Council to meet its statutory responsibilities in

relation to housing. In particular this type of support helps to reduce the risk of tenancy failure and repeat homelessness in the future.

10 PROCUREMENT AND PROJECT TIMESCALES AND GOVERNANCE ARRANGEMENTS

10.1 **Estimated Value of Proposed Action:** £97,550.00

10.2 **Other Associated Costs:** None

10.3 **Proposed Contract Period:** 6 month extension.

11 POLICY CONSIDERATIONS

11.1 The housing objectives are set out in the relevant business plans and Homelessness Strategy.

11.2 These objectives are compliant with the statutory framework within which the Council's housing function must operate.

11.3 The legislation pertaining to homelessness requires appropriate support to be provided to households at risk of homelessness and suitable accommodation and support to those households to whom the Council owes a statutory rehousing duty. These services play a key part within the overall provision of homeless prevention and accommodation services.

12 IT AND GDPR CONSIDERATIONS

12.1 Hestia operates in accordance with data sharing and GDPR requirements.

13 PROCUREMENT RULES

13.1 This report seeks to extend the Council's current contract with Hestia by way of a variation. The extension would last for 6 months and is valued at £97,550.00 bringing the total life value of the contract to £1,1170,606.00.

13.2 The variation stated above can be completed in compliance with Regulation 72 of the Public Contract Regulations. Subject to compliance with Regulation 72 of the Public Contract Regulations (which allows change to a contract without re-advertisement on Find A Tender where the proposed change, irrespective of monetary value, is provided for in the initial procurement documents in a clear, precise and unequivocal option clause which specifies the conditions of use and the scope and nature of the change).

13.3 The Council's requirements for authorising a variation are covered in CPR 23.7 and 13.1. For a contract of this value, the Approval of the Executive following Agreement by the Chief Officer, the Assistant Director Governance & Contracts, the Director of Corporate Services, the Director of Finance and the Portfolio Holder must be obtained. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.

13.4 Further, this report seeks to proceed to procurement for the retendering of the tenancy and floating support services.

13.5 This is an above threshold contract, covered by Schedule 3 of the Public Contracts Regulations 2015.

13.6 The Council's specific requirements for authorising proceeding to procurement are covered in

Rules 1 and 5 of the Contract Procedure Rules with the need to obtain the formal Agreement of the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance for a procurement of this value. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.

- 13.7 The actions identified in this report are provided for within the Council’s Contract Procedure Rules, and the proposed actions can be completed in compliance with their content.

14 FINANCIAL CONSIDERATIONS

- 14.1 The total value of the proposed extension is £87k, which will bring the total whole life value of the contract to £1,171k as set out in the table below:

	Hestia
	£'000
<u>Existing contract</u>	
2016/17 (6 months)	98
2017/18	195
2018/19	195
2019/20	195
2020/21	195
2021/22	195
	1,073
<u>Proposed extension</u>	
2022/23 (6 months)	98
	1,171

- 14.2 The costs of this contract will be contained within the existing Supporting People budget, which is currently £1,029k per annum.

15 PERSONNEL CONSIDERATIONS

- 15.1 There may be TUPE implications and this would be subject to further consideration.

16 LEGAL CONSIDERATIONS

- 16.1 The Procurement Rules section of this report accurately describes the legal position regarding the extension to the existing contract, particularly the application of regulation 72 of the Public Contracts Regulations 2015 to allow the contract variation without requiring a new procurement exercise. In particular, this report demonstrates that the requirements of regulation 72(1)(c) have been met to allow this variation.
- 16.2 Officers may wish to consult with Legal Services regarding the preparation of documentation necessary as a result of any decision made under this report.

Non-Applicable Sections:	Impact assessments
Background Documents: (Access via Contact Officer)	[Title of document and date]