

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: ACCOMMODATION BASED SUPPORT SERVICES FOR
HOMELESS PEOPLE

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Ward: All Wards

1. REASON FOR REPORT

- 1.1 The Council currently holds a contract for accommodation based support which is located at Charles Darwin House and Lewis King House in Plaistow Lane, Bromley. The scheme consists of 41 units of accommodation and 2 emergency rooms which are utilised for those requiring urgent temporary placements pending move on to alternative accommodation.
 - 1.2 The buildings are owned by the Riverside Housing Group and the support contract is currently held by Evolve. The current support contract is due to expire on the 31st of March 2022. There are no further options of renewal or extension.
 - 1.3 The Riverside Group have put forward a proposal to provide services to Bromley which would see investment going into the existing accommodation provision and enable the Council to retain access to established and vital, local accommodation for homeless households.
 - 1.4 This report is requesting that the Executive agree an exemption from competitive tendering in order to enter into a direct agreement with The Riverside Housing Group to secure use of the buildings and support for vulnerable homeless people for a period of 5 years.
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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 exemption from competitive tendering for this supported service in order to pursue the full offer of accommodation based support provision being proposed by the Riverside Housing Group.
- 2.3 The contract would start on the 1st of April 2022 for a period of 5 years, ending on the 31st of March 2027. The estimated contract value is detailed in the part 2 report.
- 2.4 Delegate authority to the Director of Housing, Planning and Regeneration in consultation with the Portfolio Holder for Recreation, Renewal and Housing to award a contract following negotiation/due diligence subject to final costs being within the estimated amount detailed in the part 2 report.

Impact on Vulnerable Adults and Children

1. Summary of Impact:

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

Access to emergency accommodation means that all clients, be they singles or families, are able to have an immediate place of safety whilst a longer term solution is sought.

Corporate Policy

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

1. Cost of proposal: Please refer to the Part 2 report.
 2. Ongoing costs: Please refer to the Part 2 report.
 3. Budget head/performance centre: Supporting People
 4. Total current budget for this head: £1,029k
 5. Source of funding: 2021/22 revenue budget
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Personnel

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

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

1. Summary of Procurement Implications:
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Customer Impact

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

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

The proposal, which is for a 5 year term, will provide 41 units of accommodation for single people who have experienced homelessness.

It will also provide enhanced support to enable residents to improve their independence and wellbeing and to move on to and sustain long term accommodation.

It provides access to vital emergency accommodation which is used for those at point of crisis. The central location and access to transport and local services is essential.

Ward Councillor Views

1. Have Ward Councillors been asked for comments?

This proposal has been discussed with the Portfolio Holder for Renewal, Recreation and Housing. Ward Member for Plaistow and Sundridge.

2. Summary of Ward Councillors comments:

Cllr Peter Morgan commended the work of the existing support provider and highlighted a number of positive improvements in service provision over the years. He highlighted the positive inroads made with the local community and stressed that this must be a key factor in any revised service provision or change of provider. He also welcomed the proposal to improve the facilities available for residents.

Cllr Gareth Allatt supported a continued collaboration with the Riverside Housing Group.

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 Up until October 2014 the Riverside Housing Group fulfilled the full accommodation and support contract at this site. The support aspect of the contract was put out to tender and was subsequently awarded to Evolve who entered into a separate agreement with the Riverside Housing Group to utilise the accommodation at Charles Darwin House and Lewis King House to deliver the contract and provide continuity of service.
- 3.3 The Riverside Group have undergone a significant period of development and is investing heavily in their stock and services. They are redeveloping two general needs sites in the borough; one in Bromley and the other in Beckenham and they have committed to investing £26 million pounds into their supported accommodation stock nationally over the next 5 years. The design phase of this programme was completed in July 2020.
- 3.4 As part of the continued development of their support services the Riverside Group is keen to manage both their accommodation and support services jointly and is seeking to move away from their buildings being utilised by a third party. To this end they have indicated that they wish to take back use of their buildings once the contract expires in March 2022. There is no obligation, for example as a result of grant funding conditions, on the Riverside Group to make these properties available to the Council or a third party. They are able to utilise the accommodation as needed in line with their business requirements.
- 3.5 However, the Riverside Group is keen to work closely with the Council on this scheme and is committed to enhancing support services within the borough and maintaining existing access to service for Bromley residents. They are a Registered Housing Provider who hold a number of accommodation and integrated support service contracts.
- 3.6 In order to coincide with the ending of the existing contract the Riverside Group have expedited the planned improvements for the Bromley based accommodation. If their offer is accepted then the existing residents would remain in situ with no mass decant required by the Council and no loss of the emergency accommodation provision ensuring continuity of service.
- 3.7 We strongly recognise the importance of this service integrating into the local community and have worked closely with past and present providers to address issues that have arisen. The Riverside Group have taken this into account in their proposal and have included details of their locality management plan which details their commitment to residents both within the scheme and in the surrounding community and which details the support that will be put in place.
- 3.8 The Riverside Group are also keen to ensure that best use is made of the existing accommodation footprint and they are exploring the option of converting a former office site on the premises into wheelchair accessible accommodation. If this proposal proves viable it would provide the Council with much needed access to accessible temporary accommodation, which is currently in significant demand.
- 3.9 Officers highlighted concerns regarding the future of this contract previously to Members, the last report of which was published in January 2020. Consideration was being given to amalgamating this service with another support contract. There was also uncertainty as to the ongoing availability of the accommodation provided by Riverside as they had given early

warning that its use was to be assessed as part of their overall stock review. Timescales for this have been impacted by the Pandemic. Without knowing the future availability of the accommodation it has been difficult for officers to provide a comprehensive gateway report outlining options for Members.

- 3.10 Pending an outcome from the Riverside Group asset review the Council has, as part of its Transforming Bromley Agenda, been reviewing a number of Council owned assets and sites in order to determine whether or not they could be utilised for this type of accommodation provision as an alternative solution. Early analysis has indicated that there are no existing buildings that would be suitable to provide this type of accommodation; owing to high levels of shared facilities for example. Any adjustments to accommodation would take time, be subject to the using Planning requirements and would require a decant of existing residents. Early stage assessments also indicate that greater savings would be achieved if sites are developed to provide self contained, settled accommodation as opposed to temporary, supported housing.

4 SUMMARY OF THE 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.
- 4.4 The proposal put forward by the Riverside Housing Group is financially competitive and would represent a saving for the Local Authority against the cost of providing nightly paid accommodation with separate floating support. Further details of which are outlined in the associated Part 2 Report.

5. SERVICE PROFILE / DATA ANALYSIS

- 5.1 The scheme provides accommodation with support for 41 singles at any one time. The Council would have 100% nomination rights to the Scheme for the duration of the contract period and all those placed there would be people who were vulnerable, had experienced homelessness and to whom the Council holds a statutory duty to assist with Housing.
- 5.2 The current scheme is one of a limited number of supported units that the Council has in place. It operates at full capacity and there is a list held for those waiting for a placement when one becomes available.
- 5.3 It is expected that clients would remain in the accommodation for up to two years before moving onto settled accommodation.

6 OPTIONS APPRAISAL

Option 1: Accept the Riverside Proposal.

Pros: The service and buildings are managed by one organisation allowing for a streamlined approach.

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 is preserved and ensuring that it is not utilised by another Authority or organisation.

The proposal represents value for money when compared to alternative forms of accommodation with the provision of floating support.

Retention of 2 x emergency rooms.

Cons: The full proposals regarding refurbishment and any potential disruption are not yet confirmed.

Tupe implications have not yet been confirmed.

Option 2: Reject the Riverside proposal and proceed to competitive tender.

Pros: Ability to test the market.

Cons: Loss of access to established accommodation in a central location; which could then be utilised by another Local Authority or organisation.

Disruption to clients as a decant will be required.

Unlikely that an existing provider would have access to vacant accommodation within the borough in order to provide local services and any exercise of this nature to procure alternative accommodation would take an extended time to complete.

7 Preferred Option

Option 1 is preferred as it provides a seamless transition for existing clients with minimal disruption. The accommodation is already established in the local area and it represents good value for money through the combination of accommodation and support compared to both being sourced separately.

8 MARKET CONSIDERATIONS

8.1 We are aware that the current provider has been operating at a loss for a number of years.

8.2 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, with communal facilities 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. The Council anticipated this increase and have held sufficient budget accordingly.

9 SOCIAL VALUE AND LOCAL / NATIONAL PRIORITIES

9.1 Details of the proposed support plan and customer engagement is outlined in Appendix 1.

9.2 The provision of accommodation based support, located within borough boundaries and which is easily accessible 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 enhanced housing offer will help 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:** Included in the Part 2 Report.

10.2 **Other Associated Costs:**

10.3 **Proposed Contract Period:** 5 years.

11 IMPACT ASSESSMENTS

11.1 A full EIA will be required.

12 POLICY CONSIDERATIONS

12.1 The housing objectives are set out in the relevant business plans and Homelessness Strategy. These objectives are compliant with the statutory framework within which the Council's housing function must operate.

12.2 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.

13 IT AND GDPR CONSIDERATIONS

13.1 The Riverside Housing Group is a Registered Housing Provider and operates in accordance with data sharing and GDPR requirements.

14 PROCUREMENT RULES

14.1 This report seeks to award a contract to Riverside Housing Group for the provision of accommodation and tenancy support services.

14.2 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.

15 FINANCIAL CONSIDERATIONS

15.1 Financial implications are contained in the Part 2 report.

16 PERSONNEL CONSIDERATIONS

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

17 LEGAL CONSIDERATIONS

17.1 The Council may directly award this contract to this operator without any public procurement exercise under regulation 32(b)(iii) of Public Contracts Regulations 2015. This regulation allows a direct award (known in regulation 32 as the use of the negotiated procedure without prior publication) where the relevant services can be supplied only by a particular economic operator for *the protection of exclusive rights, including intellectual property rights*.

- 17.2 In this case, the exclusive rights of the operator are its exclusive occupation of the relevant premises where the services must be provided. Given that this operator can exclude any other operators from the premises, it would be impossible for the Council to conduct a proper public procurement exercise. The Council could not award the contract to someone to whom Riverside was not willing to grant access to the premises. Therefore, a full procurement exercise is not possible.
- 17.3 As per rule 13.1 of the Council's Contract Procedure Rules: a decision to directly award a contract valued at over £1m to a single Candidate requires authorisation from the following: *Chief Officer in agreement with Director of Corporate Services, Assistant Director Governance & Contracts and Director of Finance and the approval of the Executive or the Council as appropriate.*
- 17.4 Officers may wish to instruct Legal Services to produce relevant contract documentation.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	