

## Wiltshire Council

### Cabinet

12 September 2023

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**Subject:** Procurement of Housing Related Support Contract

**Cabinet Member:** Cllr Phil Alford - Cabinet Member for Housing, Strategic Assets, Asset Transfer

**Key Decision:** Key

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#### Executive Summary

Wiltshire Council currently funds housing related support services which support vulnerable people to sustain and maintain tenancies. These services ensure that families and single people, including young people who are homeless or have had a history of unsettled housing, are able to access stable and secure accommodation and are supported to sustain their tenancies.

The current contracts support 194 supported housing units at a cost of £1,198,642.12. These contracts expire on 31 March 2024. It is proposed that these services are re-commissioned to ensure that the new services are cost effective, meet needs, and have successful outcomes.

This report seeks approval to proceed with the procurement of new services to take effect from 1 April 2024, and to delegate approval to the Director for Adult Social Care in consultation with the Cabinet Member for Housing, Strategic Assets and Asset Transfer to award contracts to the successful bidders.

#### Proposals

Cabinet is asked to approve:

- 1) the commencement of re-commissioning of housing related support services ensuring that there is a balance of housing related support services provided across all customer groups which will reflect the up to date needs; and
- 2) To delegate authority to the Director of Adult Social Care in consultation with the Cabinet Member for Housing, Strategic Assets and Asset Transfer and the Cabinet Member for Finance to the award of contracts within the approved budget.

#### Reason for Proposals

Housing related support services provide valuable support to a range of customers who are in vulnerable situations and in need of support to enable them to live independently and maintain a tenancy. The existing contracts expire on 31 March 2024. In order to secure new contracts from 1 April 2024 it is necessary to commence a procurement exercise immediately.

**Terence Herbert**  
**Chief Executive**

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### Purpose of Report

1. To obtain delegated approval to proceed with the procurement exercise to re-commission housing related support services to meet the identified needs of single homeless, young people and young parents within the approved budget of £1,198,642.12.

### Relevance to the Council's Business Plan

2. The re-commissioning of housing related support contracts for single homeless, young people and young parents will meet the following priorities and outcomes contained within the council's Business Plan:
  - We ensure decisions are evidence based
  - We are safe
  - We have the right housing
  - We live well together

### Background

3. The 2023//2024 budget for Housing Related Support (HRS) contracts is £1,198,642.12 and provides 194 supported housing units over three main services:

Client Group	Contract Value 2022/23	No. of Units	% Units of Total
Young Parent	£54,334.28	14	7.22%
Single Homeless	£713,506.56	120	61.86%
Young Person	£430,801.28	60	30.93%
<b>Totals</b>	<b>£1,198,642.12</b>	<b>194</b>	

4. The current contracts were commissioned in 2018, initially for a three-year period, followed by two contracted one-year extensions and a further one-year extension due to exceptional circumstances. Services have significantly changed since the last commissioning round.
5. Floating Support moved in house and is now provided by the Property and Support team. The High-Risk Offender provision was not successfully tendered during the 2018 commissioning process and the last remaining non-commissioned provision at The Halve has recently ceased. Some providers included in the HRS budget prior to

the last tender lost funding due to budgetary cutbacks but have remained and continued to provide services through a mixture of Housing Benefit, personal service charge and charitable donations.

6. The non-commissioned services include:-

Service	Service Type	Location	Units
Alabaré Parent and Baby	Young Parent	Salisbury	8
Amber Project	Young People	Trowbridge	30
Dennis House	Single Homeless	Salisbury	12
Salisbury Trust for the Homeless	Single Homeless	Salisbury	29
Peta Project	Young Parent	Trowbridge	6
Salisbury Refuge	Domestic Abuse	Salisbury	12

7. Our current housing related support contracts are not able to be extended for a further period and therefore we are required to recommission these services and new contracts to commence from 1<sup>st</sup> April 2024.

### **Main Considerations for the Council**

8. Our current housing related support services support 194 individuals and/or young parents at any one time who require some help to move on from a crisis situation which often includes homelessness. The provision of these support services enables customers to be accommodated and receive a level of support to help them have some stability in their lives and to enable them to maintain a tenancy in future. The types of support provided includes financial advice to clear debts and access benefits, support into employment and education, signposting to other services such as mental health or substance misuse services and life-skills training including budgeting, cooking and independent living skills.
9. A number of customers who use the housing related support services are already known to other departments, e.g. Children’s Services, Public Health, Police, Probation. In the absence of housing related support services these individuals would have a heavy reliance on those other services and would require more costly residential placements to ensure that the council met its safeguarding duties. We would also anticipate a significant increase in rough sleeping and or temporary accommodation placements if we were not able to continue to provide these services
10. Our Gap Analysis report included as background papers, breakdown the current supported housing provision by schemes, cost, location, units, support hours and accommodation type.
11. It has identified that we have a high concentrate of provision in the Salisbury area. In part this is due to an inherited legacy from the former Salisbury District Council and its where established providers have available accommodation. We would like to see an improved spread of accommodation across Wiltshire as currently 75% of single homeless support services are based in Salisbury but this may not be possible as it would depend on the availability and access to suitable accommodation.
12. There is also no single homeless provision in Trowbridge which is one of our highest demand areas in Wiltshire.

13. Despite 18 – 25 year olds making up 40% of the supported population, voids are significantly higher in our young people accommodation with significantly fewer referrals being made. We only have 120 single homeless units but received 348 referrals in 2022 for those vacancies compared to 60 young people units and 73 referrals.
14. Our gap analysis report will help inform our priorities in the recommissioning of the housing related support contracts.

### **Timescales**

15. The existing contracts expire on 31 March 2024 with no ability to extend further so new contracts will need to take effect from 1 April 2024. Contracts will need to be awarded in January 2024 in order to allow for the providers to make necessary changes, which may include TUPE of staff.
16. Our Supported Housing Market Day is due to be held on 10 August and all current service providers were invited as well as a wider invite to those who may be interested in putting in a tender.

### **Overview and Scrutiny Engagement**

17. The recommissioning of the supported housing contracts was one of a couple of priorities that have been highlighted within the Adult Social Care Service Plan. Engagement with overview and scrutiny has been focused on the review of the homeless strategy actions and revision of the allocation policy. The recommissioning has been mentioned but engagement on the specific retendering of this service has not taken place.

### **Safeguarding Implications**

18. The commissioning of suitable housing related support services for households that are either homeless or at risk of homelessness, including young people and young parents, will contribute to ensuring vulnerable people are protected and able to live in a safe and secure environment.
19. Current contract arrangements within our providers contain robust safeguarding measures in line with Council policy. Contracts provide clear direction on how and when to raise safeguarding alerts to avoid any confusion about who is responsible. We also work closely with all stakeholders on feedback and quality assurance concerns.

### **Public Health Implications**

20. The re-commissioning of the housing related support services will ensure that vulnerable people are well supported and are able to receive help to get them back on their feet and maintain a tenancy. The support they receive will be targeted at ensuring that they can pay their rent, access employment opportunities, and learn how to live within a community without causing any anti-social behaviour. This will help to create better communities, reduce isolation and enable households in need to access suitable housing and employment opportunities.

21. Referrals for individual tailored support will also be offered to help address substance misuse or mental health issues. The accommodation and support will help with the client's health and well being and reduce social isolation.

### **Procurement Implications**

22. Procurement colleagues have assisted with the most recent one year extension of existing contracts and have provided guidance on the process to be taken in the re-commissioning of these contracts. The re-commissioning process will be taken in line with the council's procurement regulations with an open and competitive process being used.

### **Equalities Impact of the Proposal**

23. The commissioning of housing related support services will promote equality, reduce social exclusion and enable personal independence for vulnerable customers. This meets both the Council's proactive duties under the Public Sector Equality Duty but also commitments under the Human Rights Act. The provision of housing related support services helps to ensure that vulnerable members of the community have access to decent and supportive accommodation that will help them to maintain a tenancy. It has been proven that good accommodation can contribute to overall positive health and wellbeing and that secure, safe and stable accommodation can enable households to contribute positively to their communities.

24. Equality impacts will be monitored throughout the procurement process and commissioning process to ensure that the services meet the needs of a range of customer groups. This is to ensure that the Council's statutory commitment to promoting equality and inclusion and tackling inequality is maintained.

### **Environmental and Climate Change Considerations**

25. This proposal will align with the Council's Climate Strategy, and particularly its commitment to carbon neutrality by 2030. By ensuring a choice of service provision across Wiltshire, the proposal will support people to remain local and help to ensure that Wiltshire residents have opportunities to increase the use of community assets and activities in their local area.

26. As part of re-commissioning providers will be vetted for compliance and their commitment to Wiltshire's values and priorities. This means that if the council develops specific environmental priorities or principles that are relevant to the service, they can be included easily in the procurement process, where appropriate to do so. Potential providers can be made aware of the council's commitments and policy on environmental issues and can build this into their offer over time. This will be part of how the social value of the contract is demonstrated.

### **Workforce Implications**

27. There are no internal workforce implications in the re-commissioning of these contracts.

28. This relates to a re-commissioning of current activity which is delivered through external suppliers. So, there is little-to-no direct impact on council employed staff.

29. If the current providers are not successful in the new tender, then TUPE may apply, but only if transferring business between providers. However, while the council would be an interested party, any transfer of staff would be a matter between the incumbent and new providers.
30. TUPE notification letters have been sent out in preparation for the recommissioning of these services and we have ensured that contract award would be made in January to ensure that TUPE notification can be complied with.

**Risks that may arise if the proposed decision and related work is not taken**

31. A potential delay, will mean we are out of contract, opening ourselves up to a potential challenge.
32. A decision not to re-commission any of the housing related support contracts would result in the loss of the service to vulnerable individuals and young parents who would be at risk of homelessness and would increase demands on the housing team to find suitable accommodation, which would likely include temporary accommodation and increase the pressure and likelihood of needing to use B&B at significant financial cost to the council. This has been highlighted on the corporate risk register under AS11 which without the continued use of supported accommodation would significantly increase this risk
33. AS10 on the corporate risk register also notes the increasing demands on the housing service due to the cost of living crisis so any loss of accommodation placements will further increase those demands with less accommodation options being made available

**Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

34. There is a risk of challenge from providers to the tender process and outcome. However, the impact and likelihood of these risks will be reduced by continued and transparent engagement with providers. This same engagement offers an opportunity to assess providers' appetite and readiness for a new tender as well as the potential impact of current challenges.
35. Other risks and mitigation actions include

	<b>Risk</b>	<b>Mitigating Action</b>
<b>a)</b>	Insufficient interest from providers in bidding for new contracts.	There is regular consultation with providers around the commissioning proposals to ensure that we are commissioning the right type of services which providers are able to offer.
<b>b)</b>	Cost of contracts	There is a risk that the bids will come in higher than anticipated, and that the number of units that can be supported by the service will be less than anticipated. Market engagement at an early stage will help to mitigate this.
<b>c)</b>	Risk that some services may be de-commissioned	There is a risk that some services may be de-commissioned if there is either no bid submitted for a particular service, or the service cannot be funded within the budget

		available. Engagement with providers should help to mitigate against this risk.
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## Financial Implications

36. The recommendation contained within this report confirm that any re commissioned services will be carried out within the current approved annual budget of £1,198,642.12. Previous and significant savings have been taken from this budget and current providers have received no inflationary or annual increase since 2018 so we are anticipating a reduction in units and hours that this funding will be able to achieve.

## Legal Implications

37. Colleagues from the Legal Team have assisted with the drafting of the contract extensions for 2023/24 and will be engaged on the re-commissioning discussions and proposals. Legal advice and support will be required before entering into contracts with providers. Any procurement process must be undertaken in line with the provisions of Part 9 (Financial Regulations) and Part 10 (Contract Regulations) of the Council's Constitution.

38. We will ensure with legal and procurement advice that the procurement process will be compliant with the Public Contracts Regulations 2015 (PCR). Legal will assist in the drawing up of the bespoke contractual documentation. Failure to properly comply with relevant parts of the Constitution, the Public Contract Regulations and the general principles of contract law could result in a legal challenge. However the risk of challenge will be minimised by the use of a PCR compliant procurement process which is overseen by Procurement.

## Options Considered

### 39. Option One. Not to Re-commission

Not re-commissioning any housing related support services when the existing contracts expire on 31<sup>st</sup> March 2024, would leave a number of households in need of housing with support at risk of becoming or remaining homeless and failing to sustain tenancies. It will significantly increase the number of clients who approach as homeless as well as an increase in temporary accommodation and rough sleeping.

### 40. Option Two. Re-commissioning services using the same financial allocation

The table below displays the current breakdown of spending.

Client Group	Contract Value 2022/23	No. of Units	% Units
Young Parent	£54,334.28	14	7.22%
Single Homeless	£713,506.56	120	61.86%
Young Person	£430,801.28	60	30.93%
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Advantages	Disadvantages
Simple to justify to current housing related support providers	Lacks strategic thinking. The last commissioning round completed in 2018 and doesn't consider changes in those accessing services. There is a potential mismatch between identified needs and where resources are targeted, for example a mismatch between needs or geographical locations and supply. There may also be a need for new services or levels of support that did not exist at the last commissioning round.
A level of funding for all current customer groups will be maintained.	Risk of Providers not bidding for contracts if funding seen as insufficient to retain current service levels.
Utilises current staff and units already available.	As budgets are reduced in real terms, some of those schemes may not be sustainable and may close. They are also under threat from other changes e.g., increased housing benefit scrutiny for eligible service charges in supported.
	As the budget has decreased in real terms, the providers will not be able offer the same amount of support hours per unit.

#### 41. Option Three. Re-commission services using the latest data analysis

This will ensure that there is a balance of housing related support services provided across single homeless, young people and young parents which will reflect the up to date needs, location, age group and support levels against the current and medium-term priorities and ensuring we take into consideration increased costs in support hours and the final contracts remain within existing budgets.

The current allocations have not been reviewed since the last recommissioning process completed in 2018.

Advantages and disadvantage of a review of service allocations are set out below:

Advantages	Disadvantages
Strategic approach – once services are prioritised, individual schemes and locations can be identified drawing on data already held, and in consultation with stakeholders	Disruption to existing schemes, including possible scheme closures resulting in providers needing to make staff redundant and/or transfer staff to an alternative provider.
Updates contracts in line with current requirements of supported housing and enables gaps to be filled	Disruption to existing schemes resulting in loss of building usage for providers causing possible financial implications.
Would potentially allow higher levels of grant to fewer schemes making them more sustainable and enabling better quality services	Disruption to existing service users, with closures increasing risk of homelessness.



Transparency	Disruption to existing schemes, possibly resulting in the loss of related services including Homeless Drop In and Sit up Services.
	More complex to administer with further work required.

## Conclusions

42. With the budget remaining the same, representing a reduction in real terms an element of disruption to the current service provision is inevitable. It is recommended that Option Three is pursued which will enable the council to protect the most vulnerable customer groups and provide a level of housing related support to customers with a range of needs across the county.

### **Emma Legg (Director, Adult Social Care)**

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## Appendices

Appendix A – Housing Related Support Contract Gap Analysis

## Background Papers

None