

North Lanarkshire Council Report

Housing Committee

Does this report require to be approved? Yes No

Ref AMcG/SL

Date 06/11/24

Housing Support Contract Extension and Re-design

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Executive Summary

Committee is asked to consider the outcome of the review of commissioned housing support services and to approve the recommendations to re-shape some aspects of support delivery and modify the existing contracts to extend the current service for six months to enable a re-tendering process to be undertaken early in 2025.

This report details the outcome of a review into commissioned housing support services. It was intended to incorporate new homeless prevention duties from the Housing (Scotland) Bill into a re-design of housing support, however this legislation has been delayed and is unlikely to be implemented until 2026/27. The scope of the recommendations to re-design elements of the service were therefore limited and instead only some elements of the support delivery will be re-shaped to ensure the provision of broader holistic housing support services alongside a whole family approach to delivery.

The contracts were originally for two years with a one-year extension option which was approved by Committee in November 2021. The contracts are currently in the one-year extension option and are due to come to an end on 31st January 2025. The total value of the current contracts is £3,405,873. The value of the six-month modification to extend the contract until 31st July 2025 is £567,646.

The below table contains the details of the current contracts:

Organisation	Contract Term	Contract Extension Period	Annual Contract Value	SLW Payments for full contract term	Service Type
Barnardo's Scotland	Initial 2 years 01/02/22 – 31/01/24	1 Year Extension Option 01/02/24 – 31/01/25	£353,000	£65,501	Floating support for young people aged 16 to 26 years
Simon Community Scotland			£622,291	£115,471	Accommodation based support and floating housing support for adults 27 years and over
Blue Triangle (Glasgow) Housing Association (BTHA)			£160,000	£29,661	Supported accommodation for young people 16 to 26 years

Additionally, it should be noted that there was no available funding to provide any annual uplift within these contracts and values were fixed from the outset. However, as part of the commitment to tackle low pay and implement the Scottish Living Wage (SLW), the Scottish Government included housing support services within the Health and Social Care pay awards. This was implemented for housing support contracts with effect from December 2022 and has meant that contract payments exceed the original values stated and must therefore be recorded and reported. This additional funding was provided directly by the Scottish Government to North Lanarkshire Council specifically to increase pay to meet the SLW for all health and social care workers, including those commissioned to deliver housing support services.

Recommendations

It is recommended that Housing Committee:

- (1) Consider the key findings from the review of housing support services to ensure improved outcomes and best value.
- (2) Approve the recommendations set out in this report to re-shape elements of housing support provision, modify the existing contracts to extend for six months and re-tender housing support services early in 2025.
- (3) Acknowledge the delay in the new homeless prevention duties as part of the Housing (Scotland) Bill.
- (4) Acknowledge that a report will be brought to future Housing Committee for approval to award new contracts for housing support services in 2025.

The Plan for North Lanarkshire

Priority	All priorities
Ambition statement	(24) Review and design services around people, communities, and shared resources
Programme of Work	Resilient People

1. Background

- 1.1 Commissioned housing support providers Barnardo's Scotland, Simon Community Scotland and Blue Triangle (Glasgow) Housing Association (BTHA) were appointed to provide housing support services from February 2022 following an OJEU procurement process. Committee approved the contract awards for all three services in November 2021.
 - 1.2 Barnardo's provide floating housing support for young people up to the age of 26 years, including young people formerly looked after and accommodated. Simon Community Scotland provide accommodation-based support to homeless people with complex needs aged 16 years and over across North Lanarkshire with bases in Wishaw, Motherwell and Airdrie, as well as floating housing support services to those aged 27 years and over. BTHA provide supported accommodation services to vulnerable young people aged 16 to 26 years including care leavers and is located in the Viewpark area. All three services assist in mitigating the impacts of welfare reform on some of our most vulnerable customers.
 - 1.3 The council has a responsibility to assess the support needs of homeless households deemed to be unintentionally homeless and to provide support where the assessment indicates a need, as identified under an Amendment to the Housing (Scotland) Act 1987 (inserted by the Housing (Scotland) Act 2010). Housing support services can play an important role in preventing homelessness and is bolstered through a thorough housing options approach to resolve housing issues before a crisis occurs. Where homelessness is unavoidable, housing support provides a household with the best possible chance to sustain their future accommodation.
 - 1.4 The delivery of housing support services is underpinned by the Local Housing Strategy (LHS) 2021 – 2026 vision and key strategic housing outcomes. The vision of the LHS is *“to make North Lanarkshire the place to live, through the provision of high-quality housing and support in sustainable communities, that enables people to thrive and prosper”*. The vision is underpinned by seven key priorities and Priorities 3 and 4 relate to homelessness and housing support services: -

Priority 3 – “We prevent and resolve homelessness effectively”
Priority 4 – “We have a range of housing options and supports which promote independence, health and wellbeing”
 - 1.5 The LHS identified a key commitment to undertake an evaluation and review of housing support services with a view to reconfiguring the delivery of housing support in the wider context of the Rapid Rehousing Transition Plan (RRTP), potentially merging housing support contracts with the ‘Homes First’ contract and taking account of the forthcoming legislation on homeless prevention.
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2. Report

Housing Support Review and Re-shaping Future Delivery

- 2.1 The 'Homes First' service is a critical element of the RRTP and is currently funded through RRTP grant provided by the Scottish Government. The RRTP is in its final year of delivery and future funding for the 'Homes First' service is uncertain. Wider discussions are now underway with partners to consider how this service can be sustained in future. As a result, it has not been feasible to consider merging the contracts for housing support services with 'Homes First'.
- 2.2 It was also intended to incorporate the future requirements of the Prevention of Homelessness Bill; however, these legal requirements have been delayed and merged with other wider changes to housing legislation within the social and private rented sectors. The Housing (Scotland) Bill was introduced in Parliament on 26 March 2024 and is unlikely to be implemented until 2026/27. Whilst we are clear that homeless prevention is critical and many elements are already being delivered or identified as actions to be implemented soon, the specifics of the bill cannot be included until it has been approved by Parliament and given Royal Assent.
- 2.3 Whilst the scope of change to housing support provision had become more limited, a wider evaluation and review of the current delivery was completed. The aim was to understand the demand for housing support services, the intensity of need for support those with more complex and/or multiple support needs and to fully consider the potential to re-design services to improve outcomes and achieve best value for the funding available.
- 2.4 The review was completed in line with the council's project management and options appraisal processes and consulted with various stakeholders to understand current views of service delivery as well identify areas for improvement. A Project Board was formed consisting of senior housing staff to oversee the overall management of the project and guide decision making and compliance. A Project Working Group consisting of local staff was established to enable operational views and feedback to be gathered. Focus groups were also completed with people who had experienced homelessness and were or had been supported by commissioned services to ensure the views of those with lived experience were fully explored and incorporated into options for future service delivery.
- 2.5 A series of options were developed and discussed with the Project Working Group in terms of viability and deliverability with a focus on achieving improved outcomes for homeless people. Reports were then developed with clear options on how services could be re-designed to better meet needs, and these were presented to the Project Board for consideration and discussion. The Project Board fully considered the various options and agreed a preferred option.
- 2.6 The preferred option identified is to re-tender housing support services and merge the existing Barnardo's Scotland floating housing support services for young people with Simon Community Scotland's accommodation-based support and floating support for adults. This option enables the same service provider to handle both tailored outreach and supported accommodation which would improve consistency of support delivery and streamline co-ordination and administration of the service. This option also provides continuity for those being supported and consistent assistance to integrate into existing community resources and services building stronger ties. The service would provide accommodation and/or housing support to all age groups and adopt a

whole-family and holistic approach, co-ordinating with partner agencies such as education, social work and health.

- 2.7 The existing supported accommodation services delivered by Blue Triangle will also be re-tendered and the future client group will be single males which is the most prevalent household type of homeless people in North Lanarkshire. The change of client group assists in meeting demand for those who are homeless and who have multiple and complex needs. This is a change from the current service delivery model which is focussed on young people. At the present time, the majority of young people who need temporary accommodation are provided with dispersed accommodation with outreach support and it is the intention to continue this because it achieves improved outcomes and protects vulnerable young people. We further propose to change the client group at the accommodation in Bridgework, Motherwell to ensure that intensively supported accommodation provision is available for young people who have complex needs and who may require more intensive support. Bridgework can accommodate four individuals in their own self-contained accommodation which is more conducive to supporting young people. If there is a rise in the demand for additional young persons supported accommodation, we may consider attaching up to four additional satellite flats as part of a core and cluster model of support delivery. These services will be managed within the re-tendering and contract arrangements.
- 2.8 The merging of two existing housing support services offers long-term savings through streamlined administration and reduced duplication. It also offers holistic support by addressing the needs of all family members and enables those moving on from accommodation to have their outreach support planned and delivered by the same key worker which aligns with trauma informed principles. Careful consideration and planning will have to be given to the split of existing resources to safeguard the provision of both accommodation and outreach support.
- 2.9 Re-tendering housing support services as part of a merged contract will have implications for both existing support providers in terms of potentially ending their existing service provision in North Lanarkshire, should a new provider be appointed. Nevertheless, TUPE will apply to any winning contractor and negotiations will take place between existing providers and the new contractor to ensure staff jobs are protected and will be facilitated by the housing service and supported by the procurement team.

Contract Modification and Financial Impacts

- 2.10 The initial contract period for all three commissioned housing support services ended on 31st January 2024 and approval was granted to award the one-year extension option which is due to expire on 31st January 2025.
- 2.11 The unavoidable delay in concluding the housing support review process has meant that we have been unable to re-procure services within the originally planned timescale. A modification to the existing contract is now proposed since there is a legal requirement to provide housing support services and would enable those currently being supported to have continuity of care whilst a re-tendering exercise is completed.
- 2.12 A contract modification is permitted via procurement regulation 72(1) C
- where the need for modification has been brought about by circumstances that could not have been foreseen.
 - the modification does not alter the overall nature of the contract; and
 - any increase in price does not exceed 50% of the initial contract value.

- 2.13 The contract modification would be for a period of six months for all contracts from 1st February 2025 to 31st July 2025 at a total cost of £567,646 which is 16.67% of the overall contract value and within permitted limits.

Re-tendering Housing Support Contracts

- 2.14 It is proposed to complete a re-tendering exercise beginning in January 2025 with a report on the outcome of the successful tenderers due to be presented to Committee in May 2025.
- 2.15 The proposed re-tendered services will be re-shaped in line with the outcome and recommendations from the housing support review outlined in 2.6 and 2.7 in this report.
- 2.16 An implementation and transition phase would be undertaken from May until the new contracts are implemented in August 2025.

Scottish Living Wage Financial Implications

- 2.17 The existing housing support contracts have a fixed value from the outset because there was no available funding to provide any annual uplift. This changed from December 2021, when the Scottish Government included housing support services within the Health and Social Care pay awards as part of their commitment to tackle low pay and implement the Scottish Living Wage.
- 2.18 The additional funds to pay the SLW to commissioned housing support staff is fully funded by the Scottish Government and has not impacted on the level of funding provided by NLC for the delivery of these services.
- 2.19 Nevertheless, the additional payments made as a result of the SLW have exceeded the original values stated within the contracts and must therefore be recorded and reported under procurement regulations.
- 2.20 At the end of the contracts on 31st January 2025, the level of SLW payments that will have been made will total £210,661 and equates to 6.19% of the contract value.
- 2.21 If the contract modification is agreed, then it is estimated that a further £58,520 in additional SLW payments will be made and equates to 1.72%. This figure is an estimate based on a SLW increase of 6.5%, although the Scottish Government does not set this figure until November of each year for the following financial year.
- 2.22 In total, if the contract modification is awarded, additional SLW payments of £287,878 will have been estimated to have paid by 31st July 2025 and equates to 8.45% of the contract value.
- 2.23 In total, taking account of both the additional costs for the contract modification and the SLW, the original contract value will have been exceeded by £855,524 and equates to 25.12% and remains well below the threshold of 50% of the overall contract value within procurement regulations.

3. Measures of success

- 3.1 Continuation of improved outcomes for homeless people across housing, health and wellbeing, economic activity, education and training.

3.2 Best Value is achieved.

3.3 The six-month contract modification of these services will enable a re-tendering exercise to be completed to ensure our legal requirement to provide housing support is maintained where continuity of care to homeless households is paramount.

4. Supporting documentation

N/A.

A handwritten signature in black ink, appearing to read 'Stephen Llewellyn', is positioned above the printed name.

**Stephen Llewellyn
Chief Officer (Housing)**

5. Impacts

<p>5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>Housing Support services are already being delivered and positively impacts on those who are homeless who share particular protected characteristics, since homelessness disproportionately impacts on particular groups, for example, younger age groups, women who experience domestic abuse, people from ethnic minority backgrounds and disabled people. An EqIA has been completed for the review of housing support services and will continue to be kept under review as the re-tendering of housing support services is progressed. If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>
<p>5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>Assurances have been sought from Finance colleagues that funding will continue to be available to enable the services to be delivered.</p>
<p>5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>Local Authorities have a statutory duty to assess the support needs of homeless people and to provide support as required.</p>

<p>5.5</p>	<p>Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Secure processes to share data with support providers are already in place as part of the requirement under public duty. The existing DPIA is currently being reviewed to ensure fit for purpose. Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.6</p>	<p>Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.7</p>	<p>Environmental / Carbon impact Does the report / project / practice contain information that has an impact on any environmental or carbon matters? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.8</p>	<p>Communications impact Does the report contain any information that has an impact on the council's communications activities? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.9</p>	<p>Risk impact Is there a risk impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed? The primary risk is failure of the council to comply with its statutory duty to assess the need for housing support and deliver it if it is required. The modification of the contract and re-tendering process to follow ensures the council continue to comply with the statutory duty. The risk is recorded in the service's risk register and monitored accordingly.</p>
<p>5.10</p>	<p>Armed Forces Covenant Duty Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

Armed services personnel are a potentially target group for housing support and is based on an individual assessment of need. The delivery of housing support has a positive impact on this group.

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes No

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

The provision of housing support has a positive impact on children and young people and assists them to learn the independent living skills needed to sustain a home of their own. Housing support is specifically targeted at Care Experienced Young People and young people with support needs more generally.

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

A CRWIA will be completed when the contracts are re-tendered in 2025.

Yes No