

Finance and Resources Committee

10am, Thursday 27 November 2014

Review of the Implementation of the Homelessness Prevention Commissioning Plan and Extension of Contracts

Item number	7.12
Report number	
Executive/routine	Executive
Wards	All

Executive summary

The purpose of this report is to provide an update on the Homelessness Prevention Commissioning Plan (the Plan) through collaborative working and seek authority from Committee to extend contractual arrangements for a range of services in order to facilitate the implementation of the Plan. The report highlights:

- The progress in developing services in collaboration with the voluntary sector and other stakeholders.
- The achievement of budget savings, through reshaping and renegotiating service delivery, including the £400,000 savings in the Advice and Support pilot.
- The need to further extend contracts, on current terms and conditions, on an interim basis to allow sufficient time to reshape other work-streams. The annual value of these contracts in 2014/15 is £10,893,631. This will reduce by a minimum of £577,362 in 2015/16 to £10,316,269, in line with previously agreed budget savings.
- The proposal to indentify further significant savings which, if agreed, will impact on the collaborative approach in implementing the Plan.
- Between 2009/10 and 2014/15 savings of £4,803,194 (26%) have been achieved by organisations delivering advice, accommodation and support services to homeless people.

Links

Coalition pledges	P11 P13 . P14 . P32 . P36 .
Council outcomes	C09 . C10 . C11 . C13 . C14 . C16 . C23 . C25 . C26
Single Outcome Agreement	S02 . S04

Report

Review of the Implementation of the Homelessness Prevention Commissioning Plan and Extension of Contracts

Recommendations

It is recommended that Finance and Resources Committee:

- 1.1 Notes progress with delivery of the Plan.
- 1.2 Approves the extension of contracts for 67 commissioned services, until 31 March 2016.
- 1.3 Notes that contract extensions will include an appropriate break clause to give notice in the event of changes negotiated with providers, procurement and savings requirements.
- 1.4 Approves a waiver, under Contract Standing Orders, to extend five other contracts, subject to tender in 2009, for a further 12 months, for the following services: Streetwork Crisis Centre, Bethany Christian Trust Gateway to Homes and Communities, Orchard and Shipman Letfirst, Turning Point Multiple Needs, Streetwork Multiple Needs.
- 1.5 Approves a waiver under Contract Standing Orders to extend the contract with Gallery Partnership for the Edinburgh Common Client Outcomes (ECCO) monitoring system for a further six months.

Background

- 2.1 The Homelessness Prevention Commissioning Plan (the Plan) was agreed by Policy and Strategy Committee on 6 September 2011. The Plan sets out the need to prevent homelessness wherever possible, to ensure people spend as little time as possible without a home if they do become homeless and that resettlement is effective and supports people to live sustainable, independent lives.
- 2.2 On 28 November 2013, Finance and Resources Committee approved the extension of homelessness and other services' contracts until 31 March 2015. The Council is in the process of reshaping services in line with the Plan and to ensure that services are delivered in the best and most efficient way.
- 2.3 On 13 February 2014, Finance and Resources Committee agreed savings in the Revenue budget Framework of £2.3 million from the Commissioning budget between 2014/15 and 2016/17. In addition to this there is a budget proposal to

reduce third party funding in 2015/16 by up to £1.5 million which could notionally equate to a further 8.3% reduction. These savings, if agreed, will impact on the collaborative work being undertaken with third sector providers to reshape services.

Main report

- 3.1 A total of 78 contracts are in place to deliver the Plan. A list of providers and contracts, grouped by work stream is provided in Appendix 1. On 30 September 2014, Finance and Resources Committee awarded 6 contracts for Advice and Support services. The contracts were approved for 18 months, with the option to extend for a further 6 months. Annual savings of approximately £400,000, which will be delivered between 2014/15 and 2016/17 have been built into new contracts. The services will be delivered as a collaborative pilot, which will be subject to an extensive review and will form the substance of a report to Committee on subsequent procurement options.
- 3.2 A collaborative approach is being taken to the development and reshaping of all services within work streams, with Advice and Support the most advanced of these. The approaches for Homeless Crisis and Complex Needs and Young Peoples Services were reported to Health Social Care and Housing Committee on 11 November 2014 and are referred to this Committee. The other work streams covering Domestic Abuse, Temporary Accommodation and Older People are also progressing and will be reported to the Committee in due course.
- 3.3 In order to allow time for to conclude the reshaping of these services in collaboration with existing providers contracts require to be extended for all services (with the exception of the six Advice and Support contracts) previously agreed and referred to at paragraph 3.1 of this report. The annual value of these contracts in 2014/15 is £10,893,631. This will reduce by a minimum of £577,362 in 2015/16 to £10,316,269, in line with previously agreed budget savings. The savings required may increase should further savings proposals currently subject to consultation as part of the Council's draft 2015/16 budget, be agreed. The services affected by the proposed contract extensions are set out in paragraph 3.4 below and Appendix 1 of this report.
- 3.4 Five of the 78 services were tendered in 2009 and therefore approval would not normally be sought to extend these contracts. However, in order to allow time for collaborative reshaping and consideration of future procurement options, a waiver under Standing Orders is requested to allow these five contracts to continue for a period of up to 12 months. These extensions will have break clauses and figures quoted are the maximum amounts within the 12 month period. Services will be reshaped with reduced value and/or retendered prior to the completion of the 12 month period. These services are:
1. Streetwork Crisis Centre (£863,580);
 2. Bethany Gateway to Homes and Communities (£347,637);

3. Orchard and Shipman Letfirst (£173,075);
4. Turning Point Multiple Needs (£199,430); and
5. Streetwork Multiple Needs (£401,742).

Contract monitoring

- 3.5 Commissioned services are monitored using ECCO, a web-based system supplied and supported by the Gallery Partnership. The current ECCO contract is due to expire on 31 March 2015. There is work underway to replace and upgrade the Homelessness Information System (HIS) and this project is considering whether the monitoring requirements currently met by ECCO can be accommodated within a new system. If this can be achieved, it will be covered by new contractual arrangements and the contract with Gallery will terminate.
- 3.6 As this project is still to be concluded, it may be necessary to secure a short term contract extension with Gallery to ensure that ECCO remains supported until the outcome is known and a new system to replace HIS is procured. Committee is asked to agree a waiver to current Standing Orders, to allow for a six month extension from 31 March 2015, for the Gallery contract on existing terms and conditions. The value of a six month extension is £15,630 (the annual value is £31,260). This contract is not included in the contracts detailed in paragraphs 3.1 to 3.4 of this report.

Measures of success

- 4.1 The Plan will be measured by its success in reducing the number of people who become homeless, the length of time people stay in temporary accommodation and the number of people who become homeless for a second time.
- 4.2 The success of these extensions will be measured by the resulting reshaping of services, within work streams, and the delivery of savings. These are expected to achieve a focus of resources, with better outcomes for clients. Each work stream will have its own specific outcomes, as measures for success, which will be defined through consultation and collaboration and reported separately to this Committee.

Financial impact

- 5.1 Savings of £2.3 million over a three year period are required from the Commissioning Budget, as part of the Council's budget setting process agreed in February 2014. The first tranche of savings, approximating £399,000 has already been achieved in 2014/15 and the balance of the savings will be built into contracts over the next two years. This includes £400,000 savings achieved through the pilot for Advice and Support services.
- 5.2 The annual value of these contracts in 2014/15 is £10,893,631. This will reduce by a minimum of £577,362 in 2015/16 to £10,316,269, in line with previously agreed budget savings. Between 2009/10 and 2014/15 savings of £4,803,194

(26%) have been achieved by organisations delivering advice, accommodation and support services to homeless people.

- 5.3 On 30 September 2014, Finance and Resources Committee made further proposals as part of the 2015/18 revenue and capital budget framework. Additional savings to third party payments is included in the Council's budget proposals for 2015/16 and this may impact on the contracts in this report. Break clauses will be included in contract extensions to allow for the implementation of savings, as required.

Risk, policy, compliance and governance impact

- 6.1 There is a risk of challenge from potential providers who may feel unfairly excluded from consideration. However, these contracts are considered 'Part B services' which means that the full application of the EU procurement rules does not apply. This limited application is in recognition that such services are considered by EU law to be of less interest to economic operators from other member states and as such, the risk of any successful legal challenge is lower.
- 6.2 The process of awarding contracts is still required to be open and transparent and achieve best value. A review of the current procurement strategy will be undertaken jointly with the Commercial and Procurement Services to ensure these principles continue to be met and to identify if further improvements in delivering best value can be achieved.
- 6.3 Savings of £1.9 million still have to be achieved and will be achieved by contract negotiations with providers, while new approaches are piloted. Break clauses will ensure that contract reductions are achievable within the duration of the pilots proposed for each workstream as described above.
- 6.4 The need to identify savings may lead to some providers not wanting to renew contracts. This is however considered a low risk which could be mitigated by increasing the contracts of other providers to cover any service withdrawal, if necessary.
- 6.5 A Checkpoint Group, which involves providers, service users, trade unions and other stakeholders, is in place to oversee the consultation and communication of the Plan.

Equalities impact

- 7.1 An Equalities and Rights Impact Assessment (ERIA) was completed for the Plan. An ERIA has also been completed for the Advice and Support workstream.
- 7.2 The extension of existing contracts will ensure that current levels of service remain in place, albeit with savings which may reduce the volume of services provided. This will help to ensure good relations between the Council and providers of services to clients, many of whom have protected characteristics.
- 7.3 The Plan will advance equality of opportunity by providing services which help people to avoid the crisis of homelessness or to resettle after a crisis. This will

have a positive impact on the Single Outcome Agreement objective of improving health and wellbeing.

- 7.4 All services will continue to be monitored to ensure there is no negative impact on, or discrimination against, clients within the protected characteristics. The ERIA in respect of the savings proposals will be kept under review.

Sustainability impact

- 8.1 The proposals in this report will help achieve a sustainable Edinburgh by benefiting the third sector.

Consultation and engagement

- 9.1 The agreement of the Plan followed extensive consultation with providers and users on the principles within the Plan. A Checkpoint Group oversees communication and consultation.
- 9.2 The advice and support proposals were developed following extensive collaborative consultation with stakeholders, including service users. The Checkpoint Group reviewed the consultation and proposals at two meetings. A similar process will be followed for the reshaping of other services.

Background reading/external references

[Homelessness Prevention Commissioning Plan, Policy and Strategy Committee, 6 September 2011](#)

John Bury

Acting Director of Services for Communities

Contact: Graeme Fairbrother, Acting Commissioning Manager

E-mail: graeme.fairbrother@edinburgh.gov.uk Tel: 0131 469 3503

Links

Coalition pledges	<p>P8 – Make sure the city’s people are well-housed, including encouraging developers to build residential communities, starting with brownfield sites.</p> <p>P11. Encourage the development of co-operative housing arrangements.</p> <p>P13. Enforce tenancy agreements (council and private landlord) with a view to ensuring tenants and landlords fulfil their good conduct responsibilities.</p> <p>P14. Strengthen Council housing allocation policy to give recognition to good tenants and to encourage</p>
--------------------------	---

responsible tenant behaviour and responsibilities.

P30 – Continue to maintain a sound financial position including long-term financial planning.

P32. Develop and strengthen local community links with the police.

P36. Develop improved partnership working across the Capital and with the voluntary sector to build on the “Total Craigroyston” model.

Council outcomes

C09. Edinburgh residents are able to access job opportunities

C10. Improved health and reduced inequalities

C11. Preventative and personalised support in place

C13. People are supported to live at home

C14. Communities have the capacity to help support people

C16. Well-housed – People live in a good quality home that is affordable and meets their needs in a well managed

C23. Well engaged and well informed – Communities and individuals are empowered and supported to improve local outcomes and foster a sense of community

C25. The Council has efficient and effective services that deliver on objectives

C26. The Council engages with stakeholders and works in partnership to improve services and deliver on agreed objectives

Single Outcome Agreement

S02. Edinburgh’s citizens experience improved health and wellbeing, with reduced inequalities in health

S04. Edinburgh’s communities are safer and have improved physical and social fabric

Appendices

Appendix 1: Work streams and Commissioned Services

Appendix 1: Work streams and Commissioned Services

OLDER PEOPLES SERVICES	
Provider/Work stream	Contract Title
Bield HA	Very Sheltered
Cairn Housing	Sheltered
Care and Repair	PSHG
Castlerock Edinvar	Sheltered
Dunedin Canmore	Sheltered
Dunedin Canmore	Sheltered
Hanover HA	Sheltered
Mansfield Care	Very Sheltered
Methodist Homes	Sheltered
Places for People	St Leonards
Places for People	St Leonard's Outreach
Port of Leith HA	Amenity
Port of Leith HA	Sheltered
Prestonfield NP	Advice Service
Trust HA	Sheltered
Viewpoint HA	Amenity
Viewpoint HA	Sheltered
Viewpoint HA	Very Sheltered

DOMESTIC ABUSE	
Provider/Work stream	Contract Title
Edinburgh Women's Aid	Twenty Four
Edinburgh Women's Aid	Shared
Edinburgh Women's Aid	Visiting
Saheliya	Visiting
Shakti Women's Aid	Refuge
Shakti Women's Aid	Visiting

YOUNG PEOPLES SERVICES	
Provider/Work stream	Contract Title
Barnardos	Care Leavers
Barnardos	Visiting
City Youth Café	Keysteps
Cyrenians	Communities
Dean and Cauvin	Aftercare
Link Living	Young Persons Service
Places for People	Care Leavers
Places for People	Horizons
Rock Trust	Bedrock
Rock Trust	Care Leavers
Rock Trust	Mainstay

CRISIS AND COMPLEX	
Provider/Work stream	Contract Title
Jericho Benedictines	Jericho House
NHS	Personality Project
Rowan Alba	Thorntree Street
Streetwork	Tenancy Support
Streetwork	Complex
Streetwork	Crisis Centre
Streetwork	Space 44
Streetwork	Supporting Women
Turning Point Scotland	Midpoint
Turning Point Scotland	Complex

TEMPORARY ACCOMMODATION	
Provider/Work stream	Contract Title
Bethany Christian Trust	Bethany House
Bethany Christian Trust	Bethany Christian Centre
Crossreach	Cunningham House
Crossreach	Anchor
Dunedin Canmore	Harbour Hostel
Dunedin Canmore	Harbour Flats
FourSquare	Stopover
FourSquare	Number 20
Gowrie Care	Bruntsfield
Gowrie Care	Oxgangs
Gowrie Care	Dryden Street
Gowrie Care	Gilmours Close
Gowrie Care	Lauriston Place
Gowrie Care	Mayfield
Gowrie Care	South Fort Street
Gowrie Care	St John's Hill
Keymoves	Cranston Street
Rowan Alba	West Pilton Park
Salvation Army	Ashbrook
Salvation Army	Pleasance
Salvation Army	East Adam Street
SVHA	Whitefoord House
Y People	Broomhouse Medway
Y People	Crewe Road Gardens
Y People	West Pilton Gardens

OTHER	
Provider/Work stream	Contract Title
Bethany Christian Trust	Gateway Home and Com
Orchard and Shipman	Letfirst