

WIRRAL COUNCIL

AUDIT & RISK MANAGEMENT COMMITTEE

27 JANUARY 2015

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| SUBJECT: | SUPPORTING PEOPLE CONTRACT EXTENSIONS- EFFICIENCY SAVING FROM SUPPORTING PEOPLE BUDGET 2014/15 |
| WARD/S AFFECTED: | ALL |
| REPORT OF: | STRATEGIC DIRECTOR: REGENERATION AND ENVIRONMENT |
| RESPONSIBLE PORTFOLIO HOLDER: | CLLR. GEORGE DAVIES – HOUSING AND COMMUNITY SAFETY |
| KEY DECISION | NO |

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides details regarding the negotiation of all Supporting People contracts in order to deliver £2 million per year savings from 2014/15 and a further reduction of £150,000 from 2015/16. It identifies a number of contracts that have been extended, under the Contract Procedure Rules and provides details of the revised Supporting People funding arrangements.
- 1.2 The savings have been realised whilst the Council and Providers continue to ensure that vulnerable clients receive support which is tailored to meet their assessed need. Due to the contractual relationship between the Council and providers it was necessary to enter in to new agreements during 2013/14 and 2014/15. All contacts were negotiated on the basis of a one year extension with an option to extend for further year and in accord with Contract Procedure Rules these were approved by Strategic Director: Regeneration & Environment and Director of Resources.
- 1.3 During the next 12/18 months officers will conduct a further strategic review of Supporting People services. Due to the timing of the original negotiations many contracts are now set to lapse and therefore further extensions have been approved by the Strategic Director Regeneration & Environment and Director of Resources based on the renegotiated values.
- 1.4 This report includes an appendix containing specific financial information relating to the contract values. Due to the commercial sensitivity of this information, and the potential for the disclosure of this information to disadvantage the Council in any future tendering exercise, it is considered that the appendix should be considered exempt by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Supporting People (SP) programme aims to support individuals experiencing crises by enabling vulnerable people to remain independent

through the provision of front-line housing-related support services and therefore not requiring more costly service interventions. The services are funded by the Council but are delivered, through a contractual framework, by external provider organisations, specifically providing housing related support to those clients who would not meet statutory intervention, however the preventive nature of these services is intended to prevent clients deteriorating and requiring more costly services.

- 2.2 The programme was designed to fund support services that work with vulnerable individuals to help them gain the skills needed to live more independently, with ongoing support where this is needed, and to find and keep their own homes. Services are provided either through supported housing such as homeless hostels, sheltered housing, women's refuge, semi independent living/move on accommodation or by visiting support delivered in the clients own home.
- 2.3 SP contracts have been awarded to a range of organisations (voluntary, charitable, private sector, Housing Associations) to provide front-line support services to up to 5300 vulnerable and or disadvantaged Wirral people. The clients supported consist of: Women at risk of domestic violence; Older People with support needs; Older People with Dementia; Frail elderly; People with Mental health problems; People with Learning Disabilities; Young People at risk; Young People Leaving Care; Teenage Parents; Single Homeless with Support Needs; Offenders and People at risk of offending; Mentally-Disordered offenders; People with Drug problems; People with Alcohol problems; Homeless families with support needs; Rough sleepers.
- 2.4 The work undertaken has resulted in achievement of the required £2 million saving for 2014/15 (budget reduced to £7.4 million) and £150,000 for 2015/16 (budget reducing to £7.25 million). This has been achieved through contract negotiation with service providers and some remodelling of service activities. The contracts continue to demonstrate value for money for the Council when benchmarked against comparable services in other authorities. The process is compatible with the Supported & Special Needs Housing Procurement Methodology and in accord with the Contract Procedure Rules.
- 2.5 Due to the Councils continuing financial pressure, the extensions were awarded for 1 year only with an option to extend for a further year. However it has become necessary to extend for a further 12 months to allow full consultation regarding the services. The Strategic Director Regeneration & Environment and Director of Resources have approved the extensions.

New Contract Awards

- 2.6 The Strategic Director also authorised the award of 3 new contracts to providers, previously commissioned by Adult Social Care, to deliver support services to clients in the outsourced supported living schemes (subject of a report to Cabinet dated March 2012).

- 2.7 The Supporting People contract for a 'Shared Lives' service was extended to 9 July 2014 to allow time for Adult Social Services to tender a joint contract for the service. The award of the new contract has been reported by Adult Social Services as that department will hold and manage the joint contract on behalf of the Council. A contribution of Supporting People funding, up to a maximum of £300,000 per annum, will be paid to Adult Social Care.
- 2.8 In order to assist with the strategic priorities identified by Director of Children and Young People the Strategic Director for Regeneration and Environment agreed to commission a Pilot Service, for a 2 year period, to provide emergency accommodation and support for homeless 16 and 17 year olds. The cost of the service is £118,645 per annum. It is anticipated that the development of this service will result in a significant saving for Families and Wellbeing (a net saving to the Council of approximately £95,000). This was the subject of a report to Cabinet on 7 November 2013.
- 2.9 Officers have also negotiated the reconfiguration of a number of Supporting People funded services for vulnerable young people (16/17) allow dedicated access for Care Leavers and reduce the need for more costly service provision. This has assisted Children's Services to achieve budget savings.

Future considerations

- 2.10 During the next 12/18 months officers will conduct a further strategic review of Supporting People services and complete individual scheme reviews which will also take into consideration the emerging local need for these services and changes to EU Procurement regulations that may result in full tender of services.
- 2.11 Wirral along with 4 of the Greater Merseyside Authorities has successfully bid for CLG funding of £196,897. This will provide a cross authority service to support homeless clients, with complex and multiple need, to deliver intensive support based on an individual support plan. As part of the bid each Council agreed to contribute £13,200 for the duration of the service, which has been approved by the Strategic Director of Regeneration and Environment.
- 2.12 There is evidence that these clients use Health and Social Care Services considerably more than other groups and are often involved with the Criminal Justice system. Such interventions are costly to the public purse and it is expected that the Project will have cost benefits for Social Care and our Health and Criminal Justice Partners. In addition to supporting the individuals the service will enable the Authorities to map the client journey and to allow strategic development of improved service user pathways. Finally, as each LA has committed to undertaking the Gold Standard for Homelessness this includes mapping the relevant services, which will be supported by the implementation of the project. This project will assist Wirral meeting Statutory Homelessness duties.

3.0 RELEVANT RISKS

- 3.1 Loss of service provision for some of Wirral's most vulnerable residents, with potential negative impacts on the wider community.
- 3.2 In the event that contract arrangements cannot be agreed there will be increased pressures on other departmental budgets including Housing, Adult Social Care and Children and Young People. There may also be increased instances of rough sleeping and homelessness arising from tenancy breakdown.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 No other options were considered for this report.

5.0 CONSULTATION

- 5.1 Consultation has been carried out with all Supporting People Service providers affected by the reduction in funding, along with relevant stakeholder and partners. The Providers have, in turn, consulted with the users of their services to inform them of changes to their tenancy arrangements and the reasons for the changes.
- 5.2 As part of the strategic review further consultation will be conducted as required.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 Some of the providers awarded a contract for supported living services are Wirral based voluntary organisations. These organisations are reliant on appropriate funding in order to remain financially viable. These issues have been and will continue to be considered as part of the ongoing negotiation process.
- 7.1 There are no outstanding previously approved actions.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 8.1 The required savings of £2 million for 2014/15 and a further £150,000 for 2015/16 have been achieved. The ongoing value of the contracts will be met from the Supporting People budget. A detailed breakdown of contract values, based on previous utilisation levels can be found in the Appendix 1.
- 8.2 There are no IT, staffing or asset implications arising from this report.

9.0 LEGAL IMPLICATIONS

- 9.1 Legal and Member Services have determined that Supporting People services are currently provided as Part B as they maintain clients' health and wellbeing by assisting them to remain independent within the community. Therefore there

is currently no legal requirement to undertake a formal competitive tender for the commissioning of these services.

- 9.2 At the time of negotiations, Contract Procedure Rules 21.1.1(ii) and (v) enabled contracts to be negotiated without competitive tender whether by an extension of an existing contract or by the negotiation with an existing contractor if: there has been an assessment, in consultation with the Director of Resources, of the options available; the negotiation of the contract represents value for money to the Council; consent has been received from Director of Resources.
- 9.3 All key decisions on the programme have been taken in strict accordance with the Council Procurement Policy and process. They have been ratified and agreed by Strategic Director: Regeneration and Environment and the Director of Resources in line with delegated decision making authority.

10.0 EQUALITIES IMPLICATIONS

- 10.1 There is no direct impact on equality strands as a result of the proposed actions set out within this report.

11.0 CARBON REDUCTION IMPLICATIONS

- 11.1 There are no Carbon reduction implications arising from this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 12.1 There are no Planning implications arising from this report.
- 12.2 The continuation of these contracts supports policies and programmes that will have a positive effect on the safety of communities.

13.0 RECOMMENDATION

- 13.1 Members' endorse the decisions of Strategic Director: Regeneration and Environment and Director of Resources to award contract extensions as detailed in Appendix 1 whilst achieving the required £2.15 million savings for 2014/15 and 2015/16.

14.0 REASONS FOR RECOMMENDATIONS

- 14.1 By endorsing this recommendation the Council will ensure continuation of supported housing services for some of the most vulnerable residents of Wirral.

APPENDIX

Schedule of Supporting People Contracts

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SUBJECT HISTORY

| Council Meeting | Date |
|---|------------------|
| Emergency accommodation provision for 16 & 17 year olds | 7 November 2013 |
| Supporting People: Process to Achieve £2 million Budget Saving | 22 April 2013 |
| Budget Options: Regeneration and Environment | 18 February 2013 |
| Budget 2013/16 - Initial Proposals | 20 December 2012 |
| Supporting People Contracts for Providers of Services to People at Risk of or Experiencing Social Exclusion | 19 July 2012 |
| Virement from Regeneration, Housing and Planning Budget to Adult Social Services | 15 March 2012 |
| Supporting People Contracts | 13 October 2011 |
| Supporting People Contracts Report | 14 April 2011 |