

**Report for:** Delegated Decision

**Item number:** N/A

**Title:** Request to vary contract under Contract Standing Order (CSO) 10.02.1(a) for Housing Related Support- St Mungo's Complex Needs Service

**Report authorised by:** Dan Hawthorn – Director of Housing and Growth

**Lead Officer:** Helena Stephenson – Homelessness Strategy & Commissioning Manager

**Ward(s) affected:** All

**Report for Key**

**Non Key Decision: Non Key Decision**

**1. Describe the issue under consideration**

1.1 This report seeks approval to vary the Contract for the provision of Housing Related Support Services (Complex Need Service) between the Council and St. Mungo's Community Housing Association Limited as permitted under Clause 28 of the said Contract and in accordance with the Council's Contract Standing Order (CSO) 10.02.1(a) (Variation of Contract with a value of less than £500,000. The total value of the variation which will cover the period between 12<sup>th</sup> January 2018 and 11 January 2019 is £118,901.

**2. Recommendations**

2.1 For the Director of Housing and Growth to approve the contract variation in accordance with CSO 10.2.1(a) with a total value of £118,901 covering the period 12<sup>th</sup> January 2018 to 11<sup>th</sup> January 2019 bring the total value of the Contract to £237,802.

**3. Reasons for decision**

3.1.1 The award of Flexible Homelessness Support Grant (FHSG) funding of £118,901 in contracts with St Mungo's for the period January 12th 2018 to January 11th 2019 meets the Council's strategic commitment to deliver early intervention to people in crisis, preventing homelessness. The Flexible Homelessness Support Grant is a ring-fenced grant from Central Government, to be used for 'work to prevent or deal with homelessness'. Haringey has been allocated £8,630,852 per year for 17/18 and 18/19, with further announcements on 19/20 expected in 'winter 2017'. Future funding

allocations will be closely linked to boroughs ability to prevent homelessness at scale.

- 3.1.2 The FHSG funding will be used to increase the staffing in High Cross Road- Complex Needs Service to 24-hour support and provide support to an additional 11 service users in council owned properties on Hale Road. The increase in staffing and units will enable the service to rapidly and safely accommodate more vulnerable homeless people (including rough sleepers and those exiting institutions or hospital).
- 3.1.3 The council owns several properties on Hale Road, N17, which fall within a regeneration area. These properties are due to be demolished within the next 2 years and were decanted some time ago to prepare for this. Since then they have been used as Houses of Multiple Occupation and are configured as such internally. The units are currently vacant and being refurbished to a suitable standard for use in a 'short life' capacity, prior to their demolition.
- 3.2 It is proposed that these units be leased to St Mungo's. St Mungo's will manage the properties on Hale Road and provide support to the tenants, with staff on site between 9am and 5pm daily. Nominations to the scheme will be from Haringey's Single Homeless Pathway, which offers accommodation and support to vulnerable single homeless people, enabling them to rebuild their lives and recover from homelessness and other issues that inhibit their independence.
- 3.3 This is an urgent requirement; currently around 10 vulnerable single homeless people a month are being placed into general needs temporary accommodation without appropriate support and the number of rough sleepers in Haringey is at a record high, with 43 rough sleepers identified as sleeping on the streets during a single night in November 2017. One of the reasons for this is the shortage of suitable supported accommodation for them to rapidly move off the street in to.

#### **4. Alternative options considered**

- 4.1 The council has an ongoing need for family-sized temporary accommodation and officers did consider converting the properties back into single occupancy, family-sized accommodation to be let as Temporary Accommodation. However, this option was discounted as it was felt the need for additional supported accommodation for vulnerable single people as an alternative to general needs temporary accommodation was greater, and the units would better lend themselves to this use, given their existing configuration.
- 4.2 It is in the Council's overall interest to agree to waiver and award a contract to St Mungo's for the delivery of the support element of this service. St Mungo's are an existing provider of housing-related support in Haringey

and have the expertise to rapidly meet the multiple and complex needs of clients accessing the Pathway.

- 4.3 Officers did consider procuring the housing-related support element of this scheme via an open tender process. However, this option was discounted due to the pressing nature of the need for this service, the current availability and limited lifespan of the properties involved and the length of time that an open tender process would take.
- 4.4 As an existing provider within the Single Homeless Pathway, St Mungo's are best placed to rapidly implement a new service seamlessly integrating it with existing provision.

## 5. Background information

- 5.1 The Housing Related Support (HRS) programme funds support services for vulnerable people in Haringey. There are currently 12 contracts in the Single Homeless Pathway delivering supported accommodation to a wide range of client groups including those at risk of homelessness, people with mental health needs, substance misuse, offending, rough sleepers and young people.
- 5.2 The contract commenced on 12 January 2015 and will expire on 11 January 2019. It was awarded for a period of four years with an option to extend for a further period of up to two years until 11 January 2021.
- 5.3 The Complex Needs Service is contracted to provide 24-hour support to 23 clients in Vartry Road and visiting support to 12 service users in High Cross Road over a period of 18 months. The service is directed principally to those in need of medium to high supported accommodation with more than one identified need including mental health, substance misuse, offending history and entrenched rough sleepers. There is a demonstrable need to convert High Cross Road to a 24 hour staffed site to improve flow from the Assessment Centre and to increase provision for those with multiple and severe disadvantages needing intensive overnight support.
- 5.4 The Hale Units will be for those in need of 9 to 5 supported accommodation for up to 12 months. The service will support clients stepping down from 24-hour intensive supported accommodation and refuges into 9 to 5 provision, or those whose assessed needs indicate that 9 – 5 supported accommodation would be suitable.
- 5.5 The number of referrals to the Single Homeless Pathway for those with multiple and complex needs has increased year on year. The increase in complexities and challenges faced by homeless people in Haringey has resulted in a spike in demand for an additional 11 units, increase in 24 hour supported accommodation and female only units.
- 5.6 A significant proportion of women referred to single homeless services have experienced domestic abuse and may have at some point had a child

taken into care. Women who are homeless and rough sleeping experience multiple disadvantages; including mental and physical health issues, substance use, offending histories and prostitution. Research and client engagement has proven the need for female only space for those who have experienced trauma and domestic abuse. A property on Hale Road comprised of 4 bedrooms/units will be female only as a result.

- 5.7 The service will support residents to maintain their tenancies and prepare for move on into the private rented sector, access benefits, education, training and employment as well as referring on to specialist mental health services; reducing escalation of need and demand on social care provisions.
- 5.8 It has been calculated that an additional payment of £118,901 would enable the service to reduce the waiting list and provide timely access and support by employing 2 night workers, 2 support worker and 1 housing worker for 12 months.

## 6. Contribution to strategic outcomes

- 6.1 This service is linked to the Corporate Plan, Building a Stronger Haringey Together 2015- 18, in particular:

**Priority 5** - creating homes and communities where people choose to live and are able to thrive.

- Prevent homelessness and support residents to lead fulfilling lives.
- More people, including vulnerable people and those with complex housing needs, will be able to maintain their tenancies successfully and have greater independence.

**Priority 2** – Enable all adults to live healthy, long and fulfilling lives:

- All residents will be as healthy as possible for as long as possible.
- Health related quality of life will improve over time (including mental health and wellbeing).

The council is currently developing a new Homelessness and Rough Sleeping strategy (to be published in March 2018) which sets out a new direction of travel for homelessness services in Haringey. The reconfiguration of the service is necessary to enable the delivery of the strategic objectives set out in the strategy:

- Homelessness: Through early intervention, proactive prevention and strong partnership working, we will reduce the financial and human costs of homelessness

- Rough Sleeping: We will deliver an ongoing reduction in rough sleeping and address the multiple harms it brings to individuals and communities

**7. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

**8. Finance**

This report seeks the Director of Housing and Growth's approval:

- To implement Contract Standing Order 10.02.03 and waive the requirement to tender under CSO 8.03 and award a contract variation to St Mungo's Complex Needs Service.
- For a period of 12 months commencing from 12th of January 2018 to the 13th of January 2019, with provision for an extension of 1 year, and at an additional value of £118,901.

8.1 This variation is to cover the cost of employing 2 night workers, 2 support worker and 1 housing worker for 12 months. This will reduce the waiting list and provide timely access and support.

8.2 The additional contract value of £118,901 will be funded out of the Flexible Homelessness Support Grant (£8.6m).

8.3 A further one-year extension will bring the total value to £237,802; after which it cannot be sustained if the planned changes are not put into place to bring the spend in line with the budget.

8.4 There will not be fund available for such additional payments beyond 2019/20.

**9. Procurement**

9.1 Procurement notes the urgent need to vary the contract in order to meet increased demand for the service.

9.2 The recommendation is compliant with the Council's Contract Standing Orders and Procurement Code of Practice.

9.3 The value of the variation for the remaining one year (£118,901) is less than 50% of the total contract value over four years. The variation amount will be including in the extension should the option to extend be taken up.

9.4 Procurement supports the recommendation.

## 10. Legal

- 10.1 The Assistant Director of Corporate Governance notes the contents of the report.
- 10.2 Clause 28(1) of the Agreement provided that a variation shall be valid if agreed in writing and signed by both parties. CSO 10.02.1(a) gives a Director the power to authorise the variation of a contract where the value of the variation is less than £500,000.
- 10.3 The Assistant Director of Corporate Governance sees no legal reasons preventing the Director of Housing and Growth from approving the recommendations in the report.

## 11. Equality

- 11.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
  - Advance equality of opportunity between people who share those protected characteristics and people who do not
  - Foster good relations between people who share those characteristics and people who do not.

The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

- 11.2 Equalities monitoring are incorporated as a requirement of the contract and the contract also states that access to the service must be available to the diverse community of the borough and any imbalances must be addressed.
- 11.3 Currently around 10 vulnerable single homeless people a month are being placed into general needs temporary accommodation without appropriate support and the number of rough sleepers in Haringey is at a record high, with 43 rough sleepers identified as sleeping on the streets during a single night in November 2017. One of the reasons for this is the shortage of suitable supported accommodation for them to rapidly move off the street in to.
- 11.4 The number of referrals to the Single Homeless Pathway for those with multiple and complex needs has also increased year on year. The increase in complexities and challenges faced by homeless people in Haringey has resulted in a spike in demand for an additional 11 units, increase in 24 hour supported accommodation and female only units.

11.5 The forthcoming Homelessness and Rough Sleeping Strategies (January 2018) sets out how the Council and its partners intend to support the growing homeless and rough sleeping population into more sustainable, long term housing situations. This will be accompanied by a full EqIA which details those sections of the population, often covered by several protected characteristics, who are more likely to be or become homeless. Amongst those with protected characteristics most likely to be supported by this decision, the EqIA found that:

- 73% of homeless acceptances were headed by a female applicant, with a large proportion of which being lone single parents.
- 31% of people accessing our Single Homeless pathway were identified as having a primary mental health need and 25% have an offending background.
- In regards to rough sleepers in the borough more specifically, their support needs have been consistently high over the past few years. In 2016/17, 79% of the 87 rough sleepers assessed identified having support needs around one or more of alcohol, drugs and mental health.
- Young people identifying as LGBTQ+ are more likely to face multiple disadvantages that lead to homelessness. 69% of LGBT homeless young people have experienced familial rejection, abuse and violence and are also more likely to have a low or no income due to their age, for the same reason.

11. Use of Appendices

12. None