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Monday, 27 March 2023

Dear Sir/Madam

CABINET

A meeting of the Cabinet has been arranged to take place on **TUESDAY, 4TH APRIL, 2023** at **6.00 PM IN THE COMMITTEE ROOM** District Council House, Lichfield to consider the following business.

Access to The Committee Room is via the Members' Entrance.

Yours faithfully

A handwritten signature in cursive script that reads 'Kerry Dove'.

Kerry Dove
Chief Operating Officer

To: Members of Cabinet

Councillors Pullen (Chairman), Eadie (Vice-Chair), Cox, Lax, Smith and Strachan



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AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. Housing Pathway Scheme Contract 3 - 14



HOUSING PATHWAY SCHEME CONTRACT AWARD

Cabinet Member for Housing, Ecology and Climate Change

Date: 4 April 2023
 Agenda Item: 3
 Contact Officer: Lizzie Barton
 Tel Number: 01543 308060
 Email: lizzie.barton@lichfielddc.gov.uk
 Key Decision? Yes
 Local Ward: All wards
 Members



CABINET

1. Executive Summary

- 1.1 This report outlines a proposal to award an initial two-year contract for the council's Housing Pathway Scheme to Spring Housing Association, following a competitive tender exercise.
- 1.2 The contract has been jointly procured with Cannock Chase District Council and will deliver the Housing Pathway Scheme for rough sleepers and those at risk of homelessness, with multiple and complex needs, across the two districts.
- 1.3 The contract will also see Spring Housing Association provide tenancy sustainment support for residents and potential residents of six accommodation units within the district, and other clients with complex needs. The support provided by Spring Housing Association helps to ensure the residents can sustain their tenancies through housing related support, which is delivered as part of the scheme.
- 1.4 Spring Housing Association is the incumbent supplier of the existing contract that was established in 2019 and ends in May 2023.
- 1.5 The proposed contract is for a two-year period, until May 2025, with two 12-month optional extensions. The cost of the initial two-year contract will be funded through the Government's Rough Sleeping Initiative (RSI) funding¹.
- 1.6 The award of the two 12-month extensions will be dependent on budgets, including external funding being available.

2. Recommendations

- 2.1 To award the contract to Spring Housing Association for an initial two-year term, with two optional extensions each of 12 months.
- 2.2 To delegate authority to the Cabinet Member for Housing, Ecology and Climate Change in consultation with the Assistant Director for Resident and Business Services to award the two optional extensions subject to the cost of the extensions being funded from existing budgets including external funding.

¹ Rough Sleeping Initiative: www.gov.uk/government/publications/rough-sleeping-initiative-2022-to-2025-funding-allocations

3. Background

Overview

- 3.1 The Rough Sleeping Housing Pathway Scheme has been in operation since 2019 and provides an independent and impartial outreach service to rough sleepers and other homeless customers who need support.
- 3.2 The current supplier, Spring Housing Association also provides tenancy sustainment support to residents in the council's six accommodation units procured between 2020 and 2022. This accommodation supports former rough sleepers, in line with the Housing First model, and caters for those with complex needs whose pathway into housing is not straightforward.
- 3.3 The new contract will also see the provider offering similar services across Cannock Chase District Council's area, including an outreach programme and tenancy support to eight properties. The scheme was jointly commissioned by Lichfield District Council and Cannock Chase District Council. Lichfield District Council has taken the role of lead authority, both in terms of the Rough Sleeping Initiative (RSI) funding bid and the contract procurement. The partnership between the two councils includes an agreement that Cannock Chase District Council will contribute to support the scheme, should the government funding not cover all the costs of the pathway. This will be reinstated for the new contract period.
- 3.4 The overarching aim of the support provided through the Housing Pathway Scheme is to reduce incidences of rough sleeping and repeat homelessness within the district by:
- Promoting the dignity, independence, and self-determination of customers.
 - Working with customers to set goals and supporting them to realise their potential.
 - Promoting opportunities for services to be delivered in a more personalised way.
 - Responding flexibly to changes in customers circumstances.
 - Consulting with and involving customers in aspects of service development and delivery.
 - Committed to developing and maintaining positive relationships with stakeholders and the local community.
- 3.5 The type of support provided through the contract includes:
- Rough sleeper outreach service that proactively targets areas of known rough sleeping and provides rapid assessment of need and solutions to support rough sleepers off the streets as quickly as possible.
 - Marketing and communicating the rough sleeper outreach service locally to relevant stakeholders and the wider community, maximising reports of rough sleepers.
 - Supporting six tenants at any one time in the council's accommodation units, including responsibility for repairs and housing management, rent collection and arrears management, anti-social behaviour and breaches of tenancy, and neighbour complaints and community cohesion.
 - Providing ongoing support to tenants who leave the council's accommodation to move into alternative housing, including provision of tenancy sustainment support.

- 3.6 Key Performance Indicators (KPIs) for the contract include:
- Respond to reports of rough sleeping within 24 hours of receipt 100% of the time.
 - Provide at least 12 hours outreach support per district, per week.
 - Respond to reports of potential tenancy breaches or issues of nuisance within 24 hours, 100% of the time.
 - Assess support needs and risk management within one month of rehousing through Housing First, 100% of the time.
 - Maintain the standard of accommodation to decent homes standards, and ensure all homes are fully furnished.
 - Maintain a minimum of five units of housing first accommodation per district at any one time.
 - Any vacancies are turned around within 48 hours, 100% of the time.
- 3.7 Performance of the contract has been monitored throughout and Spring have performed well against set KPIs and performance measures. A performance review of Spring Housing Association's delivery is included at Appendix 1.
- 3.8 The new specification for the new contract reflects the existing contract and includes an element of reactive property maintenance, in so far as Spring will manage tenant contact in relation to required repairs and appoint/manage contractors. Any spend is then approved by the council and funded through the available retained rental income from the properties.
- 3.9 The council is then responsible for the planned maintenance of the properties utilising the remaining available rental income. The council is in discussion with the Local Authority Trading Company (LATCO) about absorbing the planned property maintenance of current and any future property acquisitions undertaken by the council into its duties in the longer-term. Future iterations of the contract could also see reactive property maintenance also passing to the LATCO.
- 3.10 Work is also ongoing by the council's LATCO on the project to create five further accommodation units within a central city location to offer short - medium term accommodation for individuals sleeping rough and/or at risk of repeat homelessness, while they are supported to secure permanent accommodation. Planning permission was obtained January 2022 and it is expected that further progress will be made later this spring. The provision of any tenancy sustainment support for these units will be subject to a further procurement exercise.
- 3.10 In order to select a new provider, Lichfield District Council, in partnership with Cannock Chase Council and supported by the council's procurement service carried out a competitive tender exercise. Two companies quoted and Spring Housing Association was selected based on an assessment of the bids by both Lichfield District and Cannock Chase councils.
- 3.11 The bids were assessed on the following criteria:
- Previous experience
 - Service delivery
 - Implementation
 - Staffing structure and management
 - Operational management
 - Governance
 - Partnership and collaborative working
 - Quality, performance, and outcomes
 - Social value

3.12 The weighted scores were moderated by both authorities and demonstrated the Spring Housing Association was identified as the preferred provider (see Appendix 2).

Why is the Housing Pathway Scheme required?

3.13 The council's Housing, Homelessness & Rough Sleeping Strategy 2019 – 2024 includes the following key objectives:

- Promote services enabling people to live independently in their own homes.
- Advise and where possible support vulnerable households living in poor housing conditions.
- Encourage best use of the housing stock.
- Increase the supply of affordable housing.
- Ensure an adequate supply of suitable and accessible accommodation for vulnerable and older people in need.
- Improve the range of suitable housing options for those who are homeless or at risk of homelessness.
- Identify and provide support to those who face barriers to accessing and maintaining suitable accommodation
- Tackle rough sleeping so that no one needs to sleep rough.

3.14 Over the past few years, the council has seen an increasing in customers who display multiple and complex housing needs accessing the homelessness service.

3.15 Access to the majority of register provider housing stock is based on an assessment of a customer's ability to sustain a tenancy, with higher risk customers often being denied access to accommodation without a package of support in place. The erosion of support available from the statutory and voluntary sector and the lack of supported accommodation within the district makes options for rehousing this cohort extremely difficult and may have impacted upon the number of rough sleepers reported.

3.16 Due to the rising needs of those presenting as homeless, the lack of supported accommodation, increase in rough sleeping and the reluctance of registered providers to accept individuals with more complex needs into their tenancies without support, the Housing Pathway Scheme and associated units offers options for rough sleepers and those with complex needs who are in danger of rough sleeping.

3.17 In 2019, Cabinet gave approval for the council to commission a Housing Pathway Scheme to develop a housing pathway for rough sleepers and those at risk of homelessness, with multiple and complex needs. Following a successful delivery of the Housing Pathway Scheme over the past four years, and successful tender bid, this paper recommends a continuation of the current service provider as part of a new two-year contract.

Alternative Options	<ol style="list-style-type: none">1. Re-run the procurement exercise. This is not advised as the council's current contract expires on 31 May 2023.2. Do nothing. This is not advised as it would leave both councils out of contract for the Housing Pathway Scheme.3. Procure as two separate councils. This is not possible as the RSI funding reflects the joint work between both LDC and CCDC but could be an option for future contracts. That said, the guidelines indicated that the government looks more favourably on collaborative bids between two or more LA's.
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Consultation	As this is a replacement contract for an existing service, no formal consultation has been carried out.
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Financial Implications	The Housing Pathway Project							
	The Rough Sleeper Housing Pathway Scheme will be funded by some of the ring-fenced Rough Sleeping Initiative (RSI) grant of £508,178 allocated by the government:							
		2023/24	2024/25	Total				
	Rough Sleeper Housing Pathway Scheme	£249,487	£258,691	£508,178				
	Tenancy Related Support	£5,818	£6,078	£11,896				
	Total	£255,305	£264,769	£520,074				
	The contract value can be met from the available funds. See Appendix 2.							
	Properties purchased to provide accommodation as part of the housing pathway model							
	The operational budgets for the six residential units acquired to date are summarised below:							
	No. of Properties	Cabinet Report £ 4	2022/23 £ 6	2023/24 £ 6	2024/25 £ 6	2025/26 £ 6	2026/27 £ 6	Total £
	Rental Income	(18,000)	(29,100)	(35,100)	(35,100)	(35,100)	(35,100)	(169,500)
	Running Costs & Sinking Fund (90%)	16,200 0	440 14,560	17,000 0	32,000 0	32,000 0	32,000 0	113,440 14,560
	Homelessness and Rough Sleeper Reserve (10%)	1,800	2,100	2,100	3,100	3,100	3,100	13,500
	Revenue Financial Implications	0	(12,000)	(16,000)	0	0	0	(28,000)
	Sinking Fund Balance (without spend)		(2,860)	(19,860)	(51,860)	(83,860)	(115,860)	
	Homelessness and Rough Sleeper Reserve (without spend)		(2,100)	(4,200)	(7,300)	(10,400)	(13,500)	

Approved by Section 151 Officer	YES
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Legal Implications	A compliant Procurement procedure has been undertaken in line with CPR's and PCR2015.
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Approved by Monitoring Officer	Yes
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Contribution to the Delivery of the Strategic Plan	<p>The Housing Pathway Scheme enables people to help themselves and others and to collaborate and engage with us. The scheme also supports the council's ambition to be a good council that is responsive, and customer focussed.</p> <p>Spring Housing Association state they are ethical procurers who buy local first and are committed to reducing waste.</p>
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Equality, Diversity and Human Rights Implications	The Housing Pathway Scheme will have a positive impact for those in housing need, particularly those deemed as vulnerable and at risk of homelessness and rough sleeping. It also supports the Housing First Model.
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EIA logged by Equalities Officer	An EIA has been completed and identified no issues.
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Crime & Safety Issues	The provision of supported accommodation options will potentially reduce the issues of anti-social behaviour created by some of our rough sleepers who have been using various public spaces in which to sleep.			
Environmental Impact (including Climate Change and Biodiversity).	Spring Housing Association are committed to reducing waste: <ul style="list-style-type: none"> • All buildings and properties have recycling bins for waste. • They are committed to photocopier/cartridge recycling. • Car sharing is part of our staff planning of their working day. • Members of the cycle to work scheme. • Green spaces at properties are maintained to encourage biodiversity and provide healthy green environment for tenants to live • Support is provided to tenants regarding energy efficiency and where bills are we high energy audits are offered. • Where possible all office furniture is from second-hand suppliers or donations. • Use local tradesmen to reduce omissions and ensure millage is kept to a minimum as well as helping the local economy. 			
GDPR / Privacy Impact Assessment	The contract includes clauses that relate to GDPR and a DPIA to ensure it and related processes are compliant.			
	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	Current Score (RYG)
A	Supplier does not deliver to agreed KPIS.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow	Robust contract management delivered through quarterly performance review meetings.	Likelihood: Green Impact: Green Severity of Risk: Green
B	Supplier costs rise beyond budgeted funds.	Likelihood: Green Impact: Yellow Severity of Risk: Red	Contract price covers the initial two years and therefore costs will be maintained within the two-year funding budget. CCDC will share any increase in costs.	Likelihood: Green Impact: Green Severity of Risk: Green
C	Reactive repairs on properties are not managed in line with existing and new legislation.	Likelihood: Yellow Impact: Yellow Severity of Risk: Red	Ensure correct insurances and maintenance agreements in place to cover large scale works and day to day repairs. Implement robust SLA with Spring Housing Association, with break clauses for non-compliance.	Likelihood: Green Impact: Green Severity of Risk: Green
D	Planned maintenance on properties is not managed in line with existing and new legislation	Likelihood: Yellow Impact: Yellow Severity of Risk: Red	LATCO provide interim review of all quotes/works. Longer-term work to bring planned maintenance into role of LATCO.	Likelihood: Green Impact: Green Severity of Risk: Green
D	Property maintenance costs rise beyond budgeted funds.	Likelihood: Yellow Impact: Yellow Severity of Risk: Red	A sinking fund for maintenance costs has been established. Work with the LATCO to ensure that property spend is monitored thoroughly and questioned as necessary.	Likelihood: Green Impact: Green Severity of Risk: Green

E	Lack of rough sleepers/homeless applicants for the accommodation units, resulting in void loss.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow	Detailed understanding of the cohort of individuals ascertained through our Housing Options Team. Options have been considered for the properties if perceived demand does not materialise, such as temporary accommodation or general needs lets through a further partner arrangement.	Likelihood: Green Impact: Green Severity of Risk: Green
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Background documents	Appendix 1 – Performance review of current contract with Spring Housing. Appendix 2 – Contract, procurement notes and Spring case studies (Restricted By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972).
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Relevant web links	Cabinet 12 March 2019 (lichfielddc.gov.uk)
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Performance review of Housing Pathway Scheme Contract

2019 – 2023

Overview

In 2019 the contract to provide a housing pathway scheme for rough sleepers, and those at risk of rough sleeping with multiple needs, across Lichfield District and Cannock Chase District was awarded to Spring Housing Association. The contract has been funded by government funding, awarded through the Rough Sleeping Initiative (RSI).

As part of the contract, Spring Housing Association also provided tenancy sustainment support to residents living in six accommodation units within Lichfield District, and further units in Cannock Chase District. The units in Lichfield District were purchased during the lifetime of the contract.

Through the life of the contract, the service has had 45 clients referred in Lichfield District of which 43 have been supported. The service has also had 63 clients referred in Cannock Chase District, all of whom have been supported. The service has the highest tenancy sustainment levels of all Spring’s services due to the intensity of the support.

The contract contained a set of Key Performance Indicators against which Spring Housing Association’s performance has been measured on a quarterly basis. This performance review provides a summary of that performance and some associated case studies/background information.

Service performance against KPIs

Performance indicator	Target	2019/2020 performance	2020/2021 performance	2021/2022 performance	2022/2023 performance
Provide outreach support.	12 hours per week.	44.4 hours per week	21.16 per week	19.46 hours per week	14.1 hours per week
Respond to reports of rough sleeping (see note overleaf*).	Within 24 hours, 100% of the time.	13 out of 16 unique reports responded to within 24 hours	10 out of 12 unique reports responded to within 24 hours	8 of 10 unique reports responded to within 24 hours	16 out of 19 unique reports responded to within 24 hours.
Respond to reports of potential tenancy breaches or issues of nuisance.	Within 24 hours, 100% of the time.	100% responded to within 24 hours.	100% responded to within 24 hours.	100% responded to within 24 hours.	100% responded to within 24 hours.
Turn any vacancies around within 48 hours.	Within 48 hours, 100% of the time.	100% turned around within 48 hours.	100% turned around within 48 hours.	100% turned around within 48 hours.	100% turned around within 48 hours.
Assess support needs and risk management within one month of rehousing.	Within one month, 100% of the time	100% assessed within one month.	100% assessed within one month.	100% assessed within one month.	100% assessed within one month.

*Note about rough sleeper outreach

The team aims to visit the location of rough sleeper reports within 24-hours. The KPI records the date of contact with the reported rough sleeper, not the date of first visit by the team. As such when the team visit within the first 24-hours and the rough sleeper is no longer there, they will not always achieve contact within a 24-hour time frame. Where the team do not manage to achieve contact within 24-hours, they work closely with the housing team at LDC to agree next steps. In addition, oftentimes the team will receive multiple reports for the same rough sleeper, and if the team has visited recently, they won't necessarily visit again within 24-hours, particularly if the individuals do not want to engage with support. Again, they agree next steps with the housing team at LDC.

Property maintenance performance against KPIs

Performance indicator	Target	2019/2020 performance	2020/2021 performance	2021/2022 performance	2022/2023 performance
Maintain housing first accommodation units.	Maintain all units in the LDC area.	n/a	n/a	3 units maintained in LDC area	6 units maintained in LDC area ¹ .
Maintain the standard of accommodation to decent homes standards, and ensure all homes are fully furnished.	100% of the time.	n/a	n/a	100% maintained to standard.	100% maintained to standard.

Tenancy sustainment services provided to clients

The tenancy sustainment services provided to clients include:

- Information, advice and support with benefits, budgeting, goal setting, legal advice, personal budgets, healthier living, and independent living skills.
- Mental health referrals.
- Alcohol and substance misuse support.
- Grants from personalisation budgets to sixteen individuals (£4,432) – to purchase household items, such as carpets, curtain, blinds, fridges, microwaves, beds, televisions and a wheelchair ramp.
- Support with household vital items – crockery, pots and pans, items of furniture (wardrobes).
- Support with important paperwork such as birth certificates.
- Provision of mobile phones.
- Travel assistance (to attend appointments).
- Food and drink.

Moving on

The aspiration for the Pathway Scheme is that long-term clients who enter the homes will be able to reach a point where they are self-sufficient and can consider moving into alternative, independently secured accommodation. It is worth noting however that the clients who enter these properties do present with acute needs that can take a long-term plan to address.

The speed at which clients will move on from the properties will therefore vary significantly and clients can experience set-backs due to the issues they are dealing with. As such no KPI exists for the moving on of customers from the Housing First tenancies, as the approach is to help clients become independent and capable of moving on within an individual timeframe that secures long-term sustainable independent living into the future.

Any questions

Please email lizzie.barton@lichfielddc.gov.uk

¹ Across the contract 14 properties were maintained in 2022/2023

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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