

Heading: Preventing Homelessness Accommodation Pathways – adults (22+) and families	
Ward: All	Cabinet lead: Paul Smith
Author: Tom Rhodes	Job title: Commissioning Officer
City Outcome overview: This plan contributes to the following parts of the Corporate Strategy's vision – for Bristol to be a city: <ul style="list-style-type: none"> • In which everyone benefits from the city's success and no one is left behind • Where people have access to decent jobs and affordable homes • In which services and opportunities are accessible • Where life chances and health are not determined by wealth and background This plan will play a central role in the council's objective of preventing homelessness, particularly repeat homelessness.	
Equalities Outcome overview : The plan is supported by an equalities impact assessment which describes the impact on people with particular protected characteristics. Disabled people, particularly people with mental ill health, are over represented in homelessness services, so these proposals have an impact on those people.	
Impact / Involvement of Partners overview: These services are currently provided by partner organisations, mostly charities and Registered Providers. The commissioning plan was developed alongside these partners, service users and other stakeholders. There was a 12 week consultation on the draft plan between November 2016 and February 2017.	

Approx Cost: £5,840,562 of revenue budgets	Revenue: £5,840,562 of revenue budgets The commissioning plan refers to £6,337,886 of spending which is £5,840,562 plus £497,304 for the in house tenant support service.	Saving – delivers £292,572 toward the saving proposal of £500,000 (FP12) and an estimated £17,171 contribution toward £81k (RS23) for General Fund with an associated and estimated £115,019 saving for ring-fenced Public Health.
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Proposed budget: Housing Options Commissioning (11012) and Substance Misuse Contracts (10339)

Finance narrative:

This commissioning plan recommends commissioning services with a total maximum annual value of £5,840,562. The table below sets out the composition of this total annual value cross referenced to the recommendations over the page.

Commissioned service	Recommendation	Maximum annual value (£)	Notes
Homelessness accommodation pathways	1	4,563,990	The proposed maximum value will contribute toward the delivery of saving proposal FP12, see commentary below.
Family accommodation	3	194,584	No savings proposed from these services
Resettlement service	4	281,988	No savings proposed from these services
Peer Support	5	50,000	A new service
Sub-total		5,090,562	
Substance misuse accommodation pathway	2	750,000	The proposed maximum value contributes toward the delivery of saving proposal RS23, as outlined below.
Total		5,840,562	

The sub-total of £5,090,562 is funded by the General Fund homelessness commissioning budget (Housing Options Commissioning). Supporting working papers show that the proposed maximum annual value of the Homelessness accommodation pathways service of £4,563,990 will contribute an estimated £342,572

toward the delivery of the £500,000 saving proposal in Appendix 6 of the 2017/18 Budget Report (£250,000 budget reduction in 2017/18 and a further £250,000 in 2018/19 reference FP12). Of this saving £50,000 is proposed to be retained and invested in a new Peer Support scheme, generating a net contribution to savings of £292,572.

The service proposes to achieve the remainder of the £500,000 saving proposal through a combination of the following, which do not form part of this Key Decision:

- Reducing expenditure for the in-house floating support service by £55,256; and
- The remaining balance of £152,172 (£500,000 less £292,572 less £55,256) is proposed to be achieved through not utilising contingency for shorter term contracts within the Housing Options Commissioning budget estimated at £176,387.

Separately, the related exercise to extend contracts for homelessness accommodation pathways up until October 2017 has been tasked by CPG to achieve financial reductions, which should bring forward greater savings into 2017/18. This will be followed up separately from this report.

The £750,000 annual contract value for the substance misuse accommodation pathway (recommendation 2) is one of a number of commissioned services to be funded by a pooled budget administered by the Substance Misuse Joint Commissioning Group. The General Fund is planning to contribute approximately 13% of the required funding for the pooled budget in 2017/18 (from Substance Misuse – Contracts) and the ring-fenced Public Health grant 86%.

The proposed maximum annual contract value of £750,000 is a reduction of £132,190 compared with the budgeted expenditure for the equivalent commissioned service in 2016/17. As this will commence in October 2017 and based on the percentage contribution outlined above the maximum annual contract value should contribute an estimated £17,171 toward the £81,000 saving proposal in Appendix 6 of the 2017/18 Budget Report (£20,000 budget reduction in 2017/18 and a further £61,000 in 2018/19 reference RS23). Other recommissioning exercises for substance misuse services are intended to and will be required to deliver the balance of this saving proposal.

Savings to the Public Health ring-fenced grant can be estimated using the percentage contribution at £115,019, which will contribute toward the savings required by Public Health. Given that Public Health are forecasting a need to make 2.5% year on year reductions from its commissioned services in the period to 2019/20, consideration should be given to further reductions from this substance misuse accommodation pathway over this period.

There have been no inflationary uplifts in these services since the current contracts started, in 2012/13.

Finance Officer: Robin Poole: Finance Business Partner

Summary of proposal: To commission a range of preventing homelessness accommodation based services for adults (22+) and families, as described in the commissioning plan.

Key background points:

- Homelessness, including rough sleeping, is increasing in Bristol.
- The Corporate Strategy approved reductions in spending on these services.
- We need to redesign homelessness services to make savings and meet increasing demand, and the commissioning plan sets out our plans to do this.
- These services impact on other council expenditure, for example well functioning services for families may reduce the amount on emergency accommodation.
- These services fit into the wider context of homelessness prevention in Bristol, including the work being undertaken by the City Office, and the three 'Homelessness Prevention and Reduction' workstreams funded through the DCLG (which are the subject of a separate Cabinet report). These services provide the main accommodation for former rough sleepers.

Recommendations:

Cabinet is recommended to make the following decisions:

To commission the following services to help homeless households recover from homelessness and substance misuse, as described in the commissioning plan:

1. Three homelessness 'accommodation pathways' for single people and couples. To negotiate with current providers to create the pathways, with the new services in place by October 2017.
2. One substance misuse accommodation pathway (funded through the substance misuse budget). To negotiate with current providers to create the pathway, with the new service in place by October 2017.
3. Accommodation for families. To extend the current family services until March 2018, and then to tender for a new resettlement service.
4. A resettlement service. To extend the current floating support service until July 2018, and then to tender for a new resettlement service.
5. A peer support service. To jointly tender a peer support service with the substance misuse team, as part of a wider substance misuse service.

To enter into flexible five year contracts with the option to extend for up to a further two periods of one year each. There will be an annual review of the contracts.

Legal Issues: We are faced with constraints in terms of the procurement process by the fact that we do not own the accommodation in question and it is therefore ultimately the landlord/owner's prerogative as to how that land is used. A PIN has been published in order to ascertain whether there are any potential providers in the market and none have been forthcoming. On that basis, it would appear that the use of negotiation without prior publication is justified on the grounds of the protection of exclusive rights meaning that only one economic operator can provide the service (Reg 32(2)(b)(iii)).

The resettlement service and family accommodation is intending on being procured via a competitive tender process and further advice will be provided to ensure that the process is run in compliance with EU law.

Legal Officer: Nicholas Mimmack, Lawyer

DLT sign-off	SLT sign-off	Cabinet Member sign-off
Alison Comley – 15 th March 17	Anna Klonowski – 28 th March 17	[Cabinet Member] [date]

Appendix A – Further essential background / detail on the proposal	YES
Appendix B – Details of consultation carried out - internal and external	YES
Appendix C – Summary of any engagement with scrutiny	YES
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Exempt Information	NO