

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

6 APRIL 2021

REPORT OF THE INTERIM CHIEF OFFICER - FINANCE, PERFORMANCE AND CHANGE

HOUSING SUPPORT GRANT DELIVERY PLAN 2021-22

1. Purpose of report

1.1 The purpose of this report is to:

- Update members on the Housing Support Grant Delivery Priorities for 2021-22;
- seek approval to waive the Council's Contract Procedure Rules in accordance with Contract Procedure Rule 3.2.9.3 for two existing Housing Support Grant funded contracts;
- seek approval to use the Housing Support Grant allocation to continue service delivery for the Phase 2 low level supported accommodation project, effective from 1st April 2021;
- suspend the relevant parts of the Council's Contract Procedure Rules with regards to the requirement to tender for a contract and agree for the Chief Officer - Finance, Performance and Change to enter into a contract with Pobl, in order to continue service delivery of an existing supported accommodation project;
- seek approval to offer an uplift of up to 5% in the contract value of all existing Housing Support Grant funded contracts that BCBC has with third sector housing related support providers, effective from 1st April 2021, on the basis that any actual uplift directly materialises in improved terms and conditions of the workforce.

2. Connection to corporate well-being objectives / other corporate priorities

2.1 This report assists in the achievement of the following corporate well-being objectives under the **Well-being of Future Generations (Wales) Act 2015**:-

- **Supporting a successful sustainable economy** –. taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.
- **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build

resilience, and enable them to develop solutions to have active, healthy and independent lives.

- **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

3.1 The Welsh Government Housing Support Grant (HSG), came into being in April 2019, following the Welsh Government funding flexibilities pathfinder project. It brings together three former grants - Supporting People Programme, Homelessness Prevention Grant and Rent Smart Wales Enforcement Grant.

3.2 The HSG is an early intervention grant programme to support activity which prevents people from becoming homeless, stabilises their housing situation, or helps potentially homeless people to find and keep accommodation.

3.3 HSG Practice Guidance requires Local Authorities to develop an annual HSG Delivery Plan, which should include the following headings:

- Introduction
- Delivery Priorities
- Stakeholder Engagement
- Local Commissioning Plan
- Local Spend Plan
- Equalities Impact Assessment
- Annex A: Homelessness Statutory Duties

3.4 Following the publication of the draft Welsh Government budget Local Authorities are given an indicative HSG allocation and are required to submit to Welsh Government their Delivery Priorities, Stakeholder Engagement, Spend Plan and Annex A: Homelessness Statutory Duties, from their annual HSG Delivery Plan. An offer of grant is then made, following the publication of the final Welsh Government budget.

4. Current situation/proposal

4.1 Bridgend County Borough Council (BCBC) HSG allocation from Welsh Government for 2021-22 is £7,833,509.33. This represents an increase of £1,878,966.49 (32%) from the allocation in 2020-21 of £5,954,542.84. The increase is as a result of an additional £40m being allocated to the total HSG budget by Welsh Government. The additional monies have been allocated to Local Authorities based on the existing HSG distribution formula. Welsh Government have confirmed that whilst budget allocations are on an annual basis, the increased HSG allocation to Local Authorities should be treated as the new baseline for HSG funding.

4.2 A Frequently Asked Questions document circulated by Welsh Government, following the 2021-22 indicative award, states that the increase is intended to help to deliver the transformational change required to achieve the goal of ending

homelessness in Wales. The expectations of Welsh Government throughout the Covid-19 pandemic detailed at section 4.10.1 below and the current situation in Bridgend outlined at section 4.10.2 below will therefore shape the type of provision that will be required in the future.

- 4.3 Further it is not expected that the increase in funding will be used solely for new services, but to build upon existing provision. This includes Housing First projects, 24/7 support services and to continue those projects that received support from Welsh Government's Covid-19 Homelessness and Housing Related Support Services Phase 2 funding ('Phase 2 funding') for 2020/21 only. The need for these services has increased and therefore additional funding will be required to ensure supply meets demand.
- 4.4 As part of ongoing strategic planning BCBC Housing service engage with a diverse range of stakeholders including through attendance at various forums such as; BCBC Landlord Forum, Community Safety Partnership, Homeless Cell, Multi Agency Public Protection Arrangements and Multi Agency Risk Assessment Conferences. As such there is ongoing dialogue with key stakeholders, including Health, Police, Probation, Registered Social Landlords, Social Services and support providers. Ongoing consultation with service users is undertaken by service providers and through established contract monitoring processes.
- 4.5 Regional engagement and collaboration is a Welsh Government requirement for the HSG. The Cwm Taf Morgannwg Regional Collaborative Group, takes forward regional working, on behalf of the region. A quarterly meeting is attended by both officers and elected members of the three local authority areas as well as key stakeholders, including; support providers, registered social landlords, Probation and Public Health Wales. Specifically in preparation for the 2021-22 HSG Delivery Plan across the three local authority areas, the HSG Regional Collaborative Group developed a strategy to engage with stakeholders. Two web-based surveys were created, one for service users and one for other stakeholders. The links for these were shared widely amongst networks across the Cwm Taf Morgannwg region. In addition to stakeholder engagement a needs assessment and analysis was undertaken.
- 4.6 In addition to the above, Bridgend's existing Homelessness Strategy 2018 – 22 has informed the HSG Delivery Priorities for 2021-22. The Strategy was developed on a co-production basis with a broad range of stakeholders, including those with lived experience and following findings from an independent Homelessness Review in 2018.
- 4.7 In line with the HSG requirements set out at section 3.4 a submission of BCBC's Delivery Priorities, Stakeholder Engagement, Spend Plan and Annex A: Homelessness Statutory Duties has been made to Welsh Government. Following this submission a funding award of £7,833,509.33 has been received. The HSG Delivery Priorities for 2021-22 are highlighted in section 4.8 to section 4.12 below.
- 4.8 **Improve the accessibility and availability of support and accommodation options for all service users.**

- 4.8.1 It is clear that people in housing need are presenting with increased and often multifaceted support needs, which impact on the ability to maintain accommodation. Increased and more varied models of support are required to meet these needs.
- 4.8.2 Examples include longer term supported accommodation models, such as a 'wet house' for those with alcohol dependency and increased 'Housing First' provision. The availability of suitable accommodation, both in terms of the location and building facilities are key to the ability to drive forward these type of projects. In addition to supported accommodation, increased capacity for services who support those with mental health and substance misuse issues will be prioritised. Support to a regional health outreach team, delivered in partnership with the Cwm Taf Morgannwg University Health Board is one project which will be supported.
- 4.9 **Tackle the need to sleep rough, ensuring that where it occurs rough sleeping is rare, brief, and non-recurring.**
- 4.9.1 BCBC will be seeking to better understand the barriers faced by rough sleepers and the steps that can be taken to overcome them. Support will continue for existing services in place to prevent and react to rough sleepers, including a Rough Sleepers Intervention Service, an Engagement Officer and Housing First service. Taking a multi-agency approach and looking at best practice models will further support this aim.
- 4.10 **Safeguard vulnerable persons throughout the Covid-19 pandemic.**
- 4.10.1 Throughout the pandemic Welsh Government have been clear in their expectations that all local authorities must ensure that no individual is street homeless and everyone in need is to be provided with suitable temporary accommodation. As part of Welsh Governments 'Phase 1' to approaching this challenge a Guidance Note, from the Minister for Housing and Local Government, extended the definition of vulnerable with regards to the 'priority need' criteria set out in the Housing (Wales) Act 2014. In effect this makes all homeless persons eligible for an offer of temporary accommodation. This Guidance Note remains in place, whilst BCBC awaits further guidance from Welsh Government, with regards to the longer term position.
- 4.10.2 As a result BCBC Housing Service has responded to this directive in a number of ways. In addition to using existing temporary and emergency provision to its best advantage, a range of additional temporary accommodation units have been secured, largely from the tourism sector, such as hotels and bed and breakfasts. The demand on homelessness services during this time has been significant. For the period 1st January to 31st December 2020 BCBC received 1505 homelessness applications. Whilst support enabled some of these cases to be resolved, without further action, 1055 (70%) were provided with temporary accommodation. As at 21st March 2021 BCBC were temporarily accommodating 196 households, representing a 165% increase, compared to the 74 households temporarily accommodated on 23rd March 2020. Of the 196 households in temporary accommodation on 21st March 2021 78% were single person households.
- 4.10.3 In addition to providing accommodation BCBC has responded to the express support needs of those presenting which, as can be seen from the snapshot data on 21st March 2021 detailed above, has been mostly single person households.

4.10.4 The impact of the pandemic is likely to be felt throughout 2021-22 and it will be a priority to ensure that there is sufficient temporary accommodation and associated support services, both in terms of meeting immediate support needs and to support households to secure long term accommodation. Where current support projects are effective, it is intended to enhance or expand these services, where possible but where gaps are identified the procurement of new services will be explored.

4.11 Prioritise preventative services, bringing prevention as ‘upstream’ as possible.

4.11.1 Prevention and preventing the need for more costly interventions is an underpinning aim of HSG funded services. It is widely accepted that the earliest preventions are most effective and most cost efficient. BCBC will continue to prioritise services which support individuals before a situation reaches crisis point, acting to prevent problems occurring in the first place, or getting worse. Support will continue for a range of existing services that contribute to this agenda, such as mediation and support services which work with individuals, who need support to maintain their accommodation. These include specialist services for older persons, young people and those released from the secure estate. ‘Early Doors’, a project which supports tenants and landlords in the private rent sector, ideally prior to the stage where a notice of eviction is served, is a specific example.

4.11.2 As the longer term social and economic impact of the pandemic is realised, there is the possibility that there will a further increase in the number of households who find themselves threatened with homelessness.

4.12 To work with regional partners across Cwm Taf Morgannwg.

4.12.1 It is acknowledged that some services, for example more specialist services or those where it is appropriate to benefit from greater economies of scale are best taken forward on a regional basis. BCBC will continue to commit to working with its regional partners, including as part of the Cwm Taf Morgannwg Regional Collaborative Group to overcome shared challenges, such as the common pressure on homelessness services and increasing complexity in the support needs of those accessing services.

4.13 In order to support BCBC’s HSG Delivery Priorities approval is requested to waive BCBC’s Contract Procedure Rules in order to uplift two existing contracts, as detailed in Table 1 below. An uplift in these services will provide additional resources to meet the support needs of increased presentations, including the increased numbers accommodated in temporary accommodation, highlighted at section 4.10.2. The cost of the proposed uplifts will be met from BCBC’s HSG allocation.

Table 1

Current Service	Current Support Provider	Current Contract Details	Details of Proposed Uplift
<p>Generic housing related floating support service, providing:</p> <ul style="list-style-type: none"> ➤ Drop in advice at a town centre based hub 6 days a week, as well as drop in surgeries throughout the county borough. ➤ Short term support for up to 12 weeks ➤ Longer term support for up to 18 months. ➤ Group courses, such as the 'Tenancy Ready Course' 	Pobl	<p>Contract Period = 01/01/2019 to 31/12/2024</p> <p>Annual Contract Value = £350,000</p>	<p>Annual cost of proposed uplift = £62,463.63</p> <p>Total cost of proposed uplift over the remaining contract period, assuming a start date of 01/04/2021 = £234,623.66</p> <p>Percentage uplift in contract value = 11.2%</p>
<p>Known as 'START' the service supports young people and adults leaving the secure estate, supporting individuals prior to their release from custody and in the community after release.</p>	Taff Housing Association	<p>Contract Period = 01/01/2019 to 31/12/2024</p> <p>Annual Contract Value = £60,000</p>	<p>Annual cost of proposed uplift = £27,940</p> <p>Total cost of proposed uplift over the remaining contract period, assuming a start date of 01/04/2021 = £104,947.23</p> <p>Percentage uplift in contract value = 29.1%</p>

4.14 A waiver is sought under the Contract Procedure Rules (CPRs), which state:

Waiver from obtaining quotations or tendering will only apply to the criteria listed in Rules 3.2.1 to 3.2.9 below and any waiver must be obtained...

(a) in respect of any new Contract or the modification of an existing Contract (including any extension of a Contract) from the Appropriate Body where the value of the Contract or modification of a Contract exceeds £100,000

...

3.2.9.3 Where all of the following conditions are fulfilled:

- (i) *the need for modification has been brought about by circumstances which the Council having been duly diligent could not have foreseen;*
- (ii) *the modification does not alter the overall nature of the Contract;*
- (iii) *any increase in price does not exceed 50% of the value of the original Contract or Framework Agreement.*

For the purpose of the calculation of the price the updated figure shall be the reference figure when the Contract includes an indexation clause.

The proposed uplifts will provide additional resources to existing services and as such will not alter the overall nature of the existing contracts and as can be seen in Table 1 above the increase in price does not exceed 50% of the original contract value. The need to modify the contracts to provide the uplift is required in order to allow for additional resources to be provided which has been brought about by the Covid-19 pandemic and the resulting impact on housing services, as highlighted at section 4.10, as well as the expected long term social and economic impact of the pandemic. The resulting impact and increase in demand could not have been foreseen by the Council, having been duly diligent. As such it is suggested that the conditions set out in BCBC Contract Procedure Rule 3.2.9.3 are satisfied.

- 4.15 To further support BCBC's HSG Delivery Priorities approval is also requested to suspend the CPRs and directly enter into a contract with Pobl to allow for the continuation of an existing supported accommodation project, currently funded via Welsh Government 'Phase 2 Funding'.
- 4.16 Following a successful bid to Welsh Government for 'Phase 2 Funding' Pobl have entered into a lease agreement for 11 units of accommodation in the Maesteg area. Two staff members are in place to support those with low level support needs, such as those ready to step down from more intensive supported accommodation models. The current funding comes to an end at the 31st March 2021 and, in order for continued delivery, a new contract and further funding is required. Continuation of the project is key in supporting the HSG Delivery Priorities, through provision of much needed additional units of accommodation, with on site support. Without continued funding vulnerable service users would be made homeless, which would place additional pressures on homelessness services, as well as limiting future housing and support options for those in need.
- 4.17 It is therefore proposed that Phase 2 Funding continues to be funded from BCBC's HSG allocation and a contract be entered into with Pobl until 31/12/2022 with an option to extend for up to 24 months at a maximum total cost of £283,674.32 (£75,522.34 per annum). It is suggested that this length of contract is necessary in order to give certainty to vulnerable service users accommodated within the project. The contract period will also align with a wider contract for supported accommodation for vulnerable services users. The length of contract and alignment with the contract period for provision of a similar nature will allow for a full review to be undertaken after a reasonable period of time and consideration to be given to recommissioning services collectively at the end of the contract period.
- 4.18 Cabinet needs to be aware that in awarding this contract to Pobl, the Council is exposed to the risk of potential challenge from other providers of such services. The

Council's CPRs ensure that procurement exercises are lawful and carried out in compliance with Public Procurement Law, in particular the Public Contract Regulations 2015. This report proposes entering into a contract with Pobl without any competition which breaches the requirements of the Public Contract Regulations 2015 and therefore requires Cabinet's approval to set aside the Council's CPRs.

- 4.19 The risk of challenge is not possible to quantify, however given the need to continue service provision to vulnerable people, the pressures on current homelessness services, as highlighted at section 4.10.2 and the limited availability of suitable accommodation to deliver such services, the Council may take the view that the potential for challenge is one it is prepared to accept. In addition, due to the specialist nature of provision there are relatively limited providers of such services.
- 4.20 Any new services to be commissioned will be procured in line with BCBC's Contract Procedure Rules.
- 4.21 As detailed in section 4.3 above Welsh Government have stated that not all increased HSG funding should necessarily be used to commission additional resources. Welsh Government have suggested that Local Authorities consider utilising funding to reward staff operating in the sector as per a recommendation from an expert Homelessness Action Group.
- 4.22 In July 2019 the Minister for Housing and Local Government commissioned an expert Homelessness Action Group to consider the actions needed to create a new policy landscape to achieve the goal of ending homelessness. On 23rd November 2020 the Minister confirmed that all recommendations from the Group were accepted in principle.
- 4.23 The Group's report of March 2020, highlighted as a background document to this report included a recommendation 'to ensure the workforce is effectively supported'. Part of the recommendation is to make roles and terms and conditions of staff as attractive as possible to prospective and current staff. The report highlighted that there is a feeling 'of being poor relations both in employment terms and when joint working with other professions'. The report further highlighted increase staff turnover, high workloads, low recognition for the pressures and expertise people have and the pressure to deliver against targets.
- 4.24 In acknowledgement of the value BCBC places on the workforce of the third sector providers it commissions and to support the recommendation of the Homelessness Action Group, approval is requested to award an uplift of up to 5% in the contract value of all existing HSG funded contracts that BCBC has with third sector providers, effective from 1st April 2021.
- 4.25 The funding will be held by the Council and prior to any uplift BCBC will liaise with third sector providers to ensure that any uplift award will directly result in improved terms and conditions of the workforce. Where appropriate, consultation with appropriate Trade Unions will take place at this stage. The final percentage increase in each contract, will be agreed following discussions with each provider and will be dependant upon the providers commitment to the increase terms and conditions of the workforce. Each contract will be considered individually to ensure the providers comply with the terms and conditions. If the Provider does not comply

with the improved terms and conditions of the workforce, an uplift will not be provided. The maximum cost of this proposal, assuming all providers receive a 5% uplift is approximately £290,000 per annum.

- 4.26 Further guidance and direction is expected from Welsh Government with regards to long term proposals in relation to this agenda and any future proposals will be submitted to members for consideration.

5. Effect upon policy framework and procedure rules

- 5.1 There is no effect upon policy framework and procedure rules.

6. Equality Impact Assessment

- 6.1 An Equality Impact Assessment screening has been completed and, it is deemed there are no equality implications arising from this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

- 7.1 The report contributes to the following goals within the Wellbeing of Future Generations (Wales) Act 2015:

- A prosperous Wales
- A resilient Wales
- A Wales of cohesive communities
- A globally responsive Wales

- 7.2 The five ways of working have been considered in the preparation of this report and are summarised below:

- Long term – HSG funded services will support individuals to meet their short term support needs, with the aim of delivering long term positive outcomes, supporting individuals to achieve their goals and aspirations,
- Prevention – HSG services are preventative in nature and are designed to reduce the burden on more costly interventions,
- Integration – HSG funded services support economic, social and cultural outcomes, both at an individual level and in wider communities.
- Collaboration – BCBC effectively engages with a range of internal and external partners on a local and regional basis,
- Involvement – As part of ongoing strategic planning BCBC Housing engages with a diverse range of stakeholders including service users and those with lived experience.

- 7.3 It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial implications

- 8.1 The combined total cost of the proposed uplift in contract value for the two contracts detailed at section 4.13 is £339,570.89 (£90,403.63 per annum).

- 8.2 The total cost of the proposed contract award detailed at section 4.17 is £283,674.32 (£75,522.34 per annum)
- 8.3 The maximum additional cost of the proposal at section 4.24 is approximately £290,000 for 2021-22, assuming all providers receive a 5% uplift on current contract value.
- 8.4 All additional costs highlighted in this report will be funded from BCBC's Housing Support Grant allocation.
- 8.5 BCBC receives its Housing Support Grant allocation on an annual basis from Welsh Government and any expenditure through the grant, is subject to the year on year continuation of funding received from Welsh Government.

9.0 Recommendation

9.1 It is recommended that Cabinet:

- notes the Housing Support Grant Delivery Priorities for 2021-22;
- approves a waiver of the Council's Contract Procedure Rules under Rule 3.2.9.3 from the relevant parts of the Contract Procedure Rules for the procurement of the services provided under the Contract with Pobl for the generic housing related support service and the Contract with Taff Housing for the support service for young people and adults leaving the secure estate and approves the uplift in the contract value, as detailed within this report and delegate authority to the Chief Officer - Finance, Performance and Change, in consultation with the Chief Officer – Legal, HR and Regulatory Services, to enter into any agreements or documents which may be required to give effect to such variations,
- approves using the Housing Support Grant allocation to continue service delivery for the Phase 2 low level supported accommodation project, effective from 1st April 2021;
- suspends the relevant parts of the Council's Contract Procedure Rules with regards to the requirement to tender for a contract and agrees for the Chief Officer - Finance, Performance and Change to enter into a contract with Pobl, in order to continue service delivery of the Phase 2 low level supported accommodation project.
- delegates authority to the Chief Officer - Finance, Performance and Change to approve the final terms of the contract with Pobl for the Phase 2 low level supported accommodation project on behalf of the Council and to arrange execution of the contract on behalf of the Council subject to such delegated authority being exercised in consultation with the Chief Officer - Legal, HR and Regulatory Services;

- approves an uplift of up to 5% in the contract value of all existing Housing Support Grant funded contracts that BCBC has with third sector housing related support providers, effective from 1st April 2021 subject to the providers ensuring that any actual uplift directly materialises in improved terms and conditions for the workforce and there is compliance with the terms and conditions of each individual contract BCBC has entered into with the providers,
- delegate authority to the Chief Officer - Finance, Performance and Change, in consultation with the Chief Officer – Legal, HR and Regulatory Services, to vary those existing Housing Support Grant funded contracts that BCBC has with third sector housing related support providers to apply the uplift of up to 5% in the contract value and enter into any agreements or documents which may be required to give effect to such variations;

Gill Lewis
Interim Chief Officer Finance, Performance and Change
6th April 2021

Contact officer: Ryan Jones
Strategic Housing Commissioning Manager

Telephone: (01656) 643525

Email: Ryan.jones@bridgend.gov.uk

Postal address: Ravens Court, Brewery Lane, Bridgend, CF31 4AP

Background documents:

BCBC Homelessness Strategy 2018-2022

<https://www.bridgend.gov.uk/media/9376/homelessness-strategy-2018-to-2022.pdf>

Housing Support Grant Practice Guidance 2020

<https://gov.wales/sites/default/files/publications/2020-02/housing-support-grant-practice-guidance.pdf>

Report from the Homelessness Action Group for the Welsh Government March 2020

https://gov.wales/sites/default/files/publications/2020-03/homelessness-action-group-report-march-2020_0.pdf