

# Finance and Resources Committee

14.00, Thursday, 18 August 2016

## Homelessness Prevention – Review of Advice and Support Pilot

Item number	7.18
Report number	
Executive/routine	Executive
Wards	All

### Executive Summary

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This report provides an update on the review of the Advice and Support services pilot, which commenced on 13 October 2014. The report also makes recommendations on the timetable and future procurement options for services to prevent homelessness.

The report highlights:

- the success of the approach piloted for the provision of advice and support
- recommended direction for the procurement of support and advice services
- proposals for the continued purchase of housing support for individuals out with the pilot.

### Links

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Coalition pledges	<a href="#">P11. P13. P14. P33. P36</a>
Council outcomes	<a href="#">CP2. CP3. CP10</a>
Single Outcome Agreement	<a href="#">S02. S04</a>

## Homelessness Prevention – Review of Advice and Support Pilot

### 1. Recommendations

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It is recommended that Finance and Resources Committee:

- 1.1 notes the findings of the review of the first year of the Advice and Support pilot
- 1.2 agrees to the co-production of specifications for the delivery of homeless prevention services with current providers and other interested stakeholders
- 1.3 agrees to a funding extension to 30 June 2017 to allow time for further revisions to the service specifications following lessons learned
- 1.4 notes that approval has been sought using powers of urgency through the Scheme of Delegation to extend spot contracts to March 2018 to facilitate transfer of service users of a closing service to a new provider by 31 August 2016.

### 2. Background

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- 2.1 The Homelessness Prevention Commissioning Plan, approved by the Policy and Strategy Committee on 6 September 2011, sets out the need to prevent homelessness wherever possible and the key outcomes for Edinburgh. The Homelessness Prevention Commissioning Plan is part of the Council's wider City Housing Strategy 2012-2017.
- 2.2 On 30 September 2014, the Finance and Resources Committee agreed to the award of contracts to a range of providers for the pilot of reshaped Advice and Support services.
- 2.3 There are three contracts for housing support (provided on a consortia basis, which originally encompassed 13 partner organisations - now reduced to 12 as one partner provider has withdrawn from the pilot), one contract for a city-wide advice service, one contract for a city-wide mediation service and one contract for a city-wide home management and food preparation service. A full list of the participating providers and the value of the contracts for 2016/17 is set out at Appendix 1.
- 2.4 The pilot was co-produced with existing voluntary sector providers and contracts were awarded for an 18 month period, commencing 13 October 2014 until 31 March 2016, with an option to extend for a further six months. On 2 February 2016, the Finance and Resources Committee agreed to extend the contract for the pilot for a maximum of nine months to the 31 December 2016. This included the

extension of additional contracts for the purchase of housing support on a longer term individual basis to run parallel to the pilot, i.e. to 31 December 2016.

- 2.5 The first 12 months was treated as a transition year with contracts paid on a block basis before moving to payment by outcomes for the remainder of the pilot.
- 2.6 The main purpose of the reshaped services is to provide short-term interventions to resolve housing crises and to prevent people becoming homeless. This moved away from the Supporting People model to focus support on the achievement of outcomes.

### **3. Main report**

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- 3.1 A review has been undertaken of the first year of the pilot, which focused on consortia working, service access and provision, the achievement of outcomes and the payments system to be based on outcomes. Locality working and the future direction for service procurement were also discussed with providers as part of the review. The review found that stakeholders were generally positive regarding the progress made to date and the services being piloted were working well. A summary of the findings of the review is provided at Appendix 2.
- 3.2 The benefit in piloting the different approach has been evident in terms of both the focus on prevention and payment by outcomes. The continuation of block contract funding for the transition year was intended to help providers manage the changes, including the move to payment by outcomes. However, the continuation of block contract payments may not have given a sufficient sense of urgency in preparing the consortium partners for the reality of payment by outcomes.
- 3.3 Lessons have been learned from the experience and these will help inform the development of the other work streams (for Young People, Crisis and Complex and Domestic Abuse), which commenced more recently. For example, it quickly became clear that referral routes and publicity needs to be in place prior to the start of service and clear communication plans should be in place to promote the new service.
- 3.4 The pilot has been successful in managing the transition to new working and contractual arrangements, with a greater focus on the achievement of outcomes. This has been largely due to the good working relationships between the providers and the Council to promote a collaborative approach.
- 3.5 This process will continue and will address the issues raised in the course of the transition year, including better integration of advice and support services to meet the needs of people in complex situations and the provision of low level preventative services.
- 3.6 It should be noted, however, that contract payments genuinely based on the achievement of outcomes have not been fully tested, and it will only be possible to assess this effectively over the remainder of the contract extensions. Further detail of this is detailed in Appendix 2, under Achievement of Outcomes section.

- 3.7 Due to partnership agencies requiring more time to feed in to the coproduction process, it is unlikely that the coproduction of the service specification and the procurement process will be completed by December 2016. Therefore a further extension is requested until June 2017.
- 3.8 It is proposed to co-produce revised specifications to ensure an effective integration with the Council's four localities. The co-production exercise will include other interested providers who do not currently hold contracts with the Council. A Prior Information Notice (PIN) was published on 15 January 2016 to test the market and determine the level of interest in future provision of services.
- 3.9 This resulted in 39 notes of interests, including all current providers. .
- 3.10 Contracts for new services are due to commence by 1 April 2017 and will likely to be for two years, with an option to extend for a further two years.
- 3.11 It is a legal requirement to advertise contract opportunities due to the new procurement regulations. Future support services must be procured by means of an appropriate process under light touch regime, ensuring transparency, fairness and equal treatment. In advance of this, the coproduction exercise will include the measurement of outcomes, revisions to specifications as required, and will consider the changes needed to facilitate the move to four localities from the current contracts, which cover three neighbourhoods. The preference is to have four contracts, i.e. one for each locality. Separate contracts for the Home Management and Food Preparation and the Mediation service may be awarded, but this will be considered as part of the coproduction exercise.

#### **Additional contract (spot purchase) arrangements**

- 3.12 Longer term housing support has been provided under contract with four providers in parallel to the pilot. This was necessary to allow continuity of support for people, mainly with mental health issues, for whom the move to short-term homeless prevention services was not considered appropriate.
- 3.13 Of the 133 people receiving support in October 2014, 31 support packages have ended as people have moved on from the services. The majority of the remaining 102 people have been in receipt of support for several years, including many from the Supporting People programme. A full list of the participating providers, together with the contract values and reductions is set out at Appendix 3.
- 3.14 It is not intended that these support services form part of the proposed procurement exercise due to the particular nature of these services.
- 3.15 One of the current four providers for spot contracts, Health in Mind has chosen to withdraw from contract. They currently provide housing support to 45 people under this contract. They have a separate contract for care and support to 17 people under a contract with Health and Social Care, from which they are also looking to withdraw. Work is underway to transfer these two contracts to another provider to maintain the service to the 62 people. This is proving difficult; alternative providers have indicated they do not view the service as financially viable due to the short

length of the current contract. A longer extension is required to allow support to continue before looking at procurement options.

- 3.16 In addition, it is important to review the person's needs to ensure they are receiving all appropriate support before proceeding to procurement. This will be done by the housing support panel, which scrutinises and confirms packages and is attended by senior officers from housing and social work.
- 3.17 The current provider, Health in Mind has chosen to end the contact on the 31 August 2016. This left very little time to process a transfer to a new provider. To ensure the safe transfer, urgent approval has been given under the Scheme of Delegation to extend all contracts to 31 March 2018.

#### **4. Measures of success**

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- 4.1 The first year of the pilot should demonstrate the success of reshaping services to work on a more focused short-term basis to prevent homelessness, and the findings of the review should support the approach and provide a sound basis for the future procurement of services.
- 4.2 The co-production of revised specifications with a wide range of providers will further improve the quality of service to be procured to help prevent people becoming homeless. Further detail of this is outlined in Appendix 2.
- 4.3 Vulnerable people with support provided under individual (spot purchase) arrangements continue to receive services as required and that this is managed through an appropriate procurement methodology.

#### **5. Financial impact**

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- 5.1 The total annual value of the five support contracts and advice contracts is £2,576,604.
- 5.2 The total annual value of the five support contracts is expected to be £2,283,873. The actual values will depend on the application of any savings, as required, and which may be achieved in the course of an appropriate procurement process under light touch regime, ensuring transparency, fairness and equal treatment.
- 5.3 The total annual value of the advice contract is expected to be £292,731. The actual values will depend on the application of any savings as required.
- 5.4 The value for the four individual (spot purchase) arrangements will be up to £291,220. A list of the four service providers, the volumes and values of the contracts is set out at Appendix 3.

## **6. Risk, policy, compliance and governance impact**

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- 6.1 The pilot of reshaped support services is a key element in the implementation of the Homelessness Prevention Commissioning Plan, which was approved by the Policy and Strategy Committee on 6 September 2011.
- 6.2 The risk of a procurement challenge for not advertising the individual support packages for the spot purchase arrangements has been assessed as low due to a limited market and a review of need, which may result in fewer service users and the risk is outweighed by the need for continuity to service users.

## **7. Equalities impact**

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- 7.1 An Equalities and Rights Impact Assessment was completed for the Homelessness Prevention Commissioning Plan and the assessment has been updated as the pilot has progressed. It will be updated should the recommendation to proceed with a tender for support services be agreed.
- 7.2 The re-commissioning of housing support services for people who are homeless or threatened with homelessness will have a positive impact in that they will receive help to find and retain a home, overcome poverty and access specialist health services. This will support the Council's duty to eliminate harassment of people who are homeless, especially people with a disability, addictions or from a minority ethnic background.
- 7.3 The majority of people receiving housing support under the additional (spot purchase) contract arrangements have mental health problems and the loss of these services would impact negatively on their rights and their ability to live independently in the community. While people could be considered for an assessment of their needs following a referral to Social Care Direct, it is possible that not everyone would meet the criteria. Should the outcome of an assessment result in the loss of their service, this would be detrimental to their mental health, possibly increase the risk of hospital admission or the loss of their tenancy.

## **8. Sustainability impact**

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- 8.1 There is no sustainability impact relating to these proposals.

## **9. Consultation and engagement**

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- 9.1 In 2013, the proposals for Advice and Support work stream were developed through collaborative consultation with current providers, potential providers, service users and stakeholders to develop the model. This was set out in a report to the Health, Social Care and Housing Committee on 12 November 2013.
- 9.2 A further collaborative exercise will be undertaken with a wide range of stakeholders, including providers who are not currently involved in the pilot, to

coproduce service specifications. All current contracted providers have expressed interest in coproduction and 14 additional third sector providers have also expressed interest.

- 9.3 Throughout this process there has been ongoing consultation with Commercial and Procurement Services.

## 10. Background reading/external references

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[Homelessness Prevention Commissioning Plan, Policy and Strategy Committee, 6 September 2011](#)

[Homelessness Prevention Commissioning Plan Update and Proposals for Advice and Support – referral from the Health, Social Care and Housing Committee, Finance and Resources, 28 November 2013](#)

[Contract Award for Homelessness Prevention - Advice and Support Services Pilot, Finance and Resources Committee 30 September 2014](#)

[Homeless Prevention - Advice and Support Additional Contracts, Finance and Resources Committee 24 August 2015](#)

[Review of the Implementation of the Homelessness Prevention Commissioning Plan and Extension of Contracts – Finance and Resources Committee 2 February 2016](#)

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## 11. Links

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### **Coalition Pledges**

P11. Encourage the development of co-operative housing arrangements

P13. Enforce tenancy agreements (council and private landlord) with a view to ensuring tenants and landlords fulfil their good conduct responsibilities

P14. Strengthen Council housing allocation policy to give recognition to good tenants and to encourage responsible tenant behaviour and responsibilities

P33. Strengthen Neighbourhood Partnerships and further involve local people in decisions on how Council resources are

used

P36. Develop improved partnership working across the Capital and with the voluntary sector to build on the “Total Craigroyston” model

**Council Priorities**

CP2. Improved health and wellbeing: reduced inequalities

CP3. Right care, right place, right time

CP10. 10. A range of quality housing options

**Single Outcome Agreement**

S02. Edinburgh’s citizens experience improved health and wellbeing, with reduced inequalities in health

S04. Edinburgh’s communities are safer and have improved physical and social fabric

**Appendices**

[1. Contracted Services and 2016/17 Annual Contract Values](#)

[2. Summary of the Review of the Advice and Support Pilot](#)

[3. Spot Purchase Contact Volumes and Values](#)



## Appendix 1

### Advice and Support Pilot: Contracted Services and 2016/17 Annual Contract Values

Citywide Advice Service Edinburgh Housing Advice Partnership (EHAP)	£292,731
Community Help and Advice Initiative (CHAI) – Consortia Lead	
Granton Information Centre	
Move On	
Changeworks	
Foursquare	

Neighbourhood Consortia - North and City Centre Gateway Visiting	£719,730
Bethany Christian Trust – Consortia Lead	
Blackwood Care (Service has withdrawn from the consortia )	
Edinburgh Cyrenian Trust	
Penumbra	
Move On	
Rock Trust	
Salvation Army	

Neighbourhood Consortia - South West and West West Integrated Services for Homelessness (WISH)	£717,599
Foursquare – Consortia Lead	
Blackwood Care (Service has withdrawn from the consortia )	
Community Help and Advice Initiative	
Home Scotland	
Link Living	

Penumbra
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Neighbourhood Consortia - East and South Homelessness Prevention Service	£712,383
Edinburgh Cyrenian Trust – Consortia Lead	
Community Help and Advice Initiative	
Crossreach	
Health in Mind	
Penumbra	

Citywide Mediation Service	£77,900
Edinburgh Cyrenian Trust	

Citywide Home Management and Food Preparation Service	£56,261
Edinburgh Cyrenian Trust	

Total Advice and Support Contracts	£2,576,604
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## Appendix 2

### **Summary of the Review of the Advice and Support Pilot**

The review was conducted using face to face meetings/interviews with contract leads, a survey of key stakeholder views, service user feedback and an analysis of quarterly and annual monitoring reports. The findings of the review as regards the four service areas are detailed below, as are the lessons learned from the first year of the pilot.

A total of 4,806 people received a service under the new arrangements, though it should be noted that this does not represent unique individuals as a small number of people accessed more than one service.

#### ***Neighbourhood Housing Support***

The housing support and advice services are managed as consortia for each of three neighbourhoods. For many this represented a significant change in their working relationships with each other and with the Council. Consortium agreements are in place to manage the internal relationships, referrals, monitoring and other working arrangements. All partners reported these arrangements as working satisfactorily.

A total of 1,197 individuals received a visiting support service in the first year of the pilot. A number of people used more than one service; with access to Advice and the Home Management and Food Preparation being the most beneficial other services.

Over the first three months of the pilot, the rate of referrals for new service users was lower than expected across all three neighbourhoods. This was in spite of publicity and promotion undertaken by the consortia, but it is likely referral agents were not clear about the transition between existing services and the new arrangements for delivery. Referral rates subsequently increased city-wide, most noticeably in the North and City Centre Leith neighbourhood.

At the start of the pilot there were 493 existing service users, that is, people who had been in receipt of housing support on a long term basis. All three consortia have been very successful in moving these people on to other more appropriate services or ending the support packages with the agreement of recipients. At the end of the first year, there were just 21 people (4%) continuing in services with the majority waiting to be assessed by Social Care Direct to meet their longer term care and support needs.

Two consortia have reported a lower than expected level of referrals, which has persisted throughout the transition year. In their view there was demand for the service but this was not manifesting itself in referrals. Considerable work to promote the services, working collaboratively with the Council has been undertaken to seek to increase referrals and fulfil contract capacities.

Access to the services is by eligibility criteria to ensure resources are prioritised for those most at risk of becoming homeless. All consortia were of the view that the criteria were appropriate and helped inform their decision making. The consortia have, however, reported a higher than expected level of need among the referrals received. This could be expected in the early days of the pilot, but mechanisms have since been developed to ensure people can be referred on to more appropriate services.

The average case duration in the transition year was five months and the consortia have generally been successful in moving on people to independent living or other more appropriate services. This has allowed them to free up capacity to take on more people in need of a service.

Low level preventative service was a new concept for the pilot and providers had the freedom to provide this flexibly as light touch housing support, group-work, befriending, etc., for up to a year. Of the pre-existing service users (i.e. people who were already in receipt of support prior to the start of the pilot), 263 moved over to a low level preventative service. A further 60 people took up these services directly.

The service specifications for the pilot were deliberately non-prescriptive as to the form low level preventative services should take. This was to encourage innovative solutions to meet the needs of people for whom standard housing support was not required. There has often been a lack of understanding of what is meant by low level preventative service among referral agents and take up of these services was very low in the early stages of the pilot.

Providers have identified a shortage of support services to work with people in the longer term, particularly for people with mental health problems whose needs may not meet the criteria for support following an assessment by Social Care Direct. However, the provision of low level preventative service on a longer term basis should meet the needs of most people to help ensure they do not become homeless. It may be necessary to specify more closely these services for future procurement, although there are advantages to providers in supporting people flexibly to most meet their needs effectively. This will be addressed in the course of the coproduction of service specifications.

### **Advice**

The EHAP consortium providing advice largely pre-dated the pilot, having been established when the service was tendered in 2009. The partnership includes specialist provision for outreach to schools (Move On) and energy advice (Changeworks).

EHAP has reported continuing high levels of demand for its service and operates a triage system to ensure emergency situations are prioritised. Non-urgent cases typically will be given an appointment two weeks from initial contact. A total of 3,100 people received an advice service in the first year.

It had been expected that most advice work to prevent homelessness would be resolved at the first or subsequent meeting, with signposting to other services as necessary. In reality, EHAP reports a higher proportion of people requiring a casework approach to resolve complex benefits and tenancy issues. Also, many people make repeat presentations, with new or different issues over time. In addition, EHAP has continued to provide Court representation for people, mainly Council tenants, to contest actions to repossess properties.

Although EHAP works well with the providers of support services, there may be a need for closer and more formal integration of these services to ensure that people receive the support they need. In negotiation with CHAI as lead provider, an in-pilot restructuring of the contract has been agreed to reflect more accurately the complexity and categories of work undertaken and the resource commitment required to meet need. This operated for

the period to 31 March 2016 and will be closely monitored to inform the final period of the pilot to December 2016.

The specification for EHAP was not substantially changed from the previous contract. There was also a mismatch between the expectations of the Council and the focus of the service the provider actually intended to deliver. The future procurement of advice should be more closely specified and there should be an opportunity to test this over the remaining months of the pilot.

### ***Mediation***

Although this was a new service, it developed from existing mediation services, which Cyrenians had experience of providing. The service is key to preventing homelessness, particularly for young people following family breakdown. The service also works with landlords to resolve issues that threaten the tenancy.

64 people benefitted from mediation and this intervention helped to prevent them becoming homeless.

### ***Home Management and Food Preparation***

This was a new service to pilot a group-work approach to help people with these issues. This work had previously been done by housing support workers on a one-to-one basis, but this was expensive and inefficient. Many of the service users are supported to attend the courses as part of their package of housing support provided by the neighbourhood services.

108 people have signed up for classes in food preparation, budgeting skills and menu planning and 94 (87%) people completed the courses successfully.

### ***Service User Feedback***

Feedback from service users has generally shown high levels of satisfaction, although this has not been gathered independently of the providers. In the main, providers reported that people saw little difference in the support they received, but were clearer on the short-term nature and the purpose of the support provision. The coproduction of service specifications for future procurement will involve the participation of service users.

### ***Achievement of Outcomes***

Outcome achievement is a key feature of the approach being piloted and the intention to base contract payments (after the transition year) on these outcomes represents a distinct change in the relationship between the Council and the providers of commissioned services. Three outcomes to be piloted were coproduced with providers, with the aim of determining the extent to which service provision prevented people becoming homeless. Two outcomes are concerned with homeless presentations and tenancy sustainability and can most effectively be measured over time. It was acknowledged that assessing whether people made a homeless presentation over a 12 month period was not really possible within the scope of a short 18 month pilot. A workaround had to be devised to ensure there was no shortfall in income for providers. This measure will, however, be more appropriate and practical in the context of a longer term contract, which will result from a procurement exercise.

The third outcome concerns the lifeskills thought necessary for people to live independently. The acquisition of a range of basic skills to help people manage their tenancies and live independently was agreed as valuable, though providers reported that some staff found the lifeskills matrix difficult to use. A joint review of the matrix has since been undertaken and revisions have been agreed with providers. This has been implemented, with improved guidance for staff, and will be used for the remainder of the pilot.

## Appendix 3

### Spot purchase contact volumes and values

	Number of service users		Reduction in number of service users	% reduction
	2014	2016		
Blackwood Care	19	11	8	- 42.1%
Health in Mind	58	47	11	- 19.0%
Link Living	11	8	3	- 27.3%
Penumbra	45	36	9	- 20.0%
Totals	133	102	-31	- 23.3%

Annual Contract value		Reduction	%Reduction
2014	2016		
£63,924	£30,949	£32,975	- 51.6%
£162,413	£98,568	£63,845	- 39.3%
£50,699	£35,973	£14,726	- 29.0%
£205,452	£125,730	£79,722	- 38.8%
£482,488.11	£291,220.10	-£191,268.01	- 39.6%

Note: the percentage reduction between the service users and contract value differs due to agreed individual support packages per person.

Note: the reductions are due to change in circumstances for individuals.