

**Meeting:** Cabinet

**Date:** 17 September 2024

**Wards affected:** All

**Report Title:** Support Service for Homeless Adults in Temporary Accommodation

**When does the decision need to be implemented?** As soon as possible

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**Director/Divisional Director Contact Details:** Jo Williams, Director of Adults & Community Services, Joanna.Williams@torbay.gov.uk

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## 1. Purpose of Report

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- 1.1 To seek approval for the procurement and subsequent award of a contract of a building-based housing related support service and accommodation for 20 homeless adults at any one time in temporary accommodation.

## 2. Reason for the Contract and its benefits

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- 2.1 The current temporary accommodation model on Torbay is based around dispersed units of accommodation without support. However, it has become clear that for a cohort of people with additional needs, who make up a significant percentage of the local recipients of council-funded temporary accommodation, a more interventionist approach is required. By providing support alongside accommodation, the council will be able to address the underlying causes of homeless and introduce better flow through the temporary accommodation supply.

- 2.2 The council currently provides bed & breakfast accommodation (with no cooking facilities or support) for single adults where it is deemed that they have a legal duty under homelessness legislation. At any one time there are approximately 80 single adults that are provided with temporary accommodation. Of these approximately 20% will have ill health needs and or mental health requirements and 17% have needs associated with older age.
- 2.3 The proposal will support the increasing number of elderly people that are becoming homeless, or those that have support needs related to mental health or ill health. The contract would not be designed to provide support to those that are experiencing challenges related substance misuse. It would facilitate move on from temporary accommodation by providing the support required to enable move on into permanent homes through the provision of skills and linkages into other support services as well as education and employment where appropriate.
- 2.4 The proposal also aims to deliver a better service to meet people's needs and therefore also prevent repeat homelessness, whilst also making a financial saving to the Local Authorities temporary accommodation budget. Therefore, providing better value for money.
- 2.5 The project would also form a key deliverable in the draft Homelessness and Rough Sleeping Strategy where a clear need has been evidenced for accommodation with support. These are for people who are not Care Act eligible but have sufficient support needs that mean without assistance would be at risk. It also assists in developing the provider market in Torbay, which is another key deliverable in the strategy.

### 3. Recommendation(s) / Proposed Decision

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1. That authority be delegated to the Director of Adult & Community Services in consultation with the Director of Finance and Cabinet Member for Adult & Community Services to award a contract for a building-based housing-related support service for homeless adults in temporary accommodation.

## Appendices

Appendix 1: Business Case Supported Housing Service for Homeless Adults - **Exempt**

## Background Documents

[Executive Summary Homelessness and Rough Sleeping Strategy.pdf \(torbay.gov.uk\)](#)

[Draft Homeless Strategy.pdf \(torbay.gov.uk\)](#)

[Draft Homelessness and Rough Sleeping Strategy Evidence Base.pdf \(torbay.gov.uk\)](#)

# Supporting Information

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## 1. Introduction

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- 1.1 Torbay Council have been offered an opportunity to work with an existing national provider with a local footprint to re-purpose a large building, at their cost, in Torquay that has previously been operated as a residential care home, but which has now closed.
- 1.2 The proposal is to commission a block contracted support service to provide 24:7 support to 20 individuals, together with personalised tailored support to each occupant. There are currently no existing contracts in place for this type of provision and support in Torbay.
- 1.3 The investment objectives for this project are as follows:

To support the Local Authority to meet its statutory duty in relation to homelessness as effectively as possible, by investing in a spend-to-save project to deliver building-based housing-related support for adults in Torbay. This will achieve the following key objectives:

- Firstly, to ensure through the introduction of a structured support offer within the Council's existing temporary accommodation provision, that there are improved and sustainable outcomes for homeless adults thereby reducing future cost to Torbay Council.
- To ensure best use of existing temporary accommodation assets, by creating a move-on pathway as part of planned progression to independent living.
- A fixed based service assisting with budget management and prediction.
- Reduction in B&B placements, particularly as these are also costly in terms of management resource

## 2. Options under consideration

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- 2.1 Other options for delivery have been considered.
- 2.2 Do nothing - The current delivery model will remain the same. This would result in insufficient volume of temporary accommodation continuing and will remain a challenge to the Housing Needs team, and costs will remain the same (or increase depending on need). With the likely impact on demand for unsupported temporary accommodation increasing.
- 2.3 Purchase of own accommodation - Based on similar services of this type and scale, the full capital cost of acquisition and remodelling of an alternative building in Torbay would be in the region of £2.5 million. If Torbay were therefore to facilitate such a scheme through funding from Homes England, this would apply additional occupation conditions. This would likely require assured shorthold tenancies, rather than occupation under license, therefore

reducing the management of a site through moving people quickly and therefore not the provision of temporary accommodation.

### 3. Contract term and budget

- 3.1 It is proposed that a contract be award for 1year plus 2 plus 2 years. The value of which would be £1.25m over the life of the contract at £250k per year.
- 3.2 Whilst this proposal means there is a new revenue cost to the Council for the support not covered by rent, commissioning this service provides an opportunity to place less reliance on expensive B&B temporary accommodation placements.
- 3.3 Commissioners calculate that this would result in a nett saving of just over £200,000 to the council's temporary accommodation budget each year if commissioned. The value of the contract will be funded through savings to the temporary accommodation budget.
- 3.4 Rent and service charge would be funded using Specialist Supported Housing (SSH Exempt rent) through Housing Benefit. The service charge would be supplemented through an enhanced Housing Benefit payment to cover intensive housing management, in recognition of the housing-related support needs of the tenants.
- 3.5 The business case and funding model are detailed in the exempt appendix.

## 4. Procurement routes to market

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- 4.1 Conversations have taken place with procurement and a request will be made to waiver an open market procurement and therefore undertake a direct award on the grounds that the contractor can provide their own building.

## 5. Best value duty

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- 5.1 The business case for the proposed service contract is based upon a request to make a direct award of a contract, therefore there will be no opportunity to test value for money via an open market tender. It is therefore proposed, given the comparable nature of the housing-related support being specified, to set the unit cost of this time and task contract using the Torbay Council / Torbay & South Devon NHS Foundation Trust's Supported Living Framework as a benchmarking tool.
- 5.2 Based on this benchmarking tool and the cost of the provision of temporary accommodation costs a financial assessment has been undertaken. Details are provided in section 6 – Financial Case, of the business case included in exempt appendix.

## 6. Engagement and consultation

- 6.1 Torbay Council have been offered an opportunity to work with an existing national provider. Work undertaken as part of wider procurement of temporary accommodation has resulted in limited uptake.

## 7. Equality Impacts - Identify the potential positive and negative impacts on specific groups

	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people	17% of current temporary accommodation need are associated with older age (60 plus)		
People with caring Responsibilities			No differential impact
People with a disability	Some units will adapted to provide disabled access and accommodation to meet mobility needs. 20% of needs is currently associated with poor health including mobility / mental health.		
Women or men			No differential impact
People who are black or from a minority ethnic background (BME) (Please note Gypsies / Roma are within this community)			No differential impact
Religion or belief (including lack of belief)			No differential impact
People who are lesbian, gay or bisexual			No differential impact
People who are transgendered			No differential impact

People who are in a marriage or civil partnership			No differential impact
Women who are pregnant / on maternity leave	Will provide support to those that are deemed a having wider support needs. This may include instances of those that are pregnant.		
Socio-economic impacts (Including impact on child poverty issues and deprivation)	Aim to reduce repeated homelessness through support including improved access to education and employment.		
Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	Will assist those with support needs improving wider health benefits and outcomes, especially around mental health. Scheme aims to reduce repeat homelessness.		

## 8. Impact and risks

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- 8.1 The contract is required to assist those with support needs and reduce the impact of homelessness on individuals. It also aims to reduce repeated homelessness and therefore provide a mechanism by which to enable the sustainment of tenancies going forward.
- 8.2 Without the provision, support needs will not be met and it will therefore significantly reduce the ability for individuals to gain permanent homes as part of a move on from temporary accommodation. It aids in securing the sufficiency of appropriate temporary accommodation and the management of budgets. It is also a key deliverable in the draft Homelessness and Rough Sleeping Strategy.
- 8.3 The progress of this business case is reliant on a waiver of open market procurement on the grounds that the provider has a capital asset in place, and financial means to invest in that asset in a manner that supports the strategic aims of the local authority.
- 8.4 The contract would only be awarded if the contractor partners with a registered housing provider. There is a risk that this may not occur, but active discussions are progressing between interested parties. This would enable the financial rent and service charge to be funded using Specialist Supported Housing (SSH Exempt rent) funded through Housing Benefit.