

# CYNGOR SIR CEREDIGION COUNTY COUNCIL

**Report to:** Cabinet

**Date of meeting:** 23 January 2024

**Title:** HSG Re-commissioning

**Purpose of the report:** To give Cabinet an overview of the ongoing recommissioning of services that form part of the Housing Support Grant and to request delegate responsibility for the awarding of tender in excess of £1m

**For:** Decision

**Cabinet Portfolio and Cabinet Member:**

**Councillor Matthew Vaux, Cabinet Member for Partnerships, Housing, Legal and Governance and Public Protection**

## **Background**

Housing Support Grant (HSG) funded services have been under review for over 3 years, with plans to re-commission significantly delayed by the Covid19 pandemic. The historic contracts and Service Level Agreements are recognised as outdated and require alignment to meet new procurement guidance and corporate contract conditions. In addition, since the initial Supporting People analysis, there has been some increase in people's support needs as well as increased numbers in specific areas, Mental Health primarily.

In September 2022, Cabinet approved the HSG Programme Plan, which outlined the plans to develop the Housing Support portfolio across a 4-year plan. The next key phase of the delivery requires commissioning of services, backed by WG's long term funding commitments for HSG. This phase also provides a timely opportunity to ensure alignment of services to Ceredigion's Corporate Priorities and support delivery of the TAW model, providing person focused support across a range of ages and needs.

The Commissioning approach proposed reflects on some recent changes in Legislation and Practice guidance, along with Welsh Government policy changes across Housing. Specifically, the key considerations are;

- Fixed HSG funding until March 2025 (£3.97m p.a.) with further funding for 4 years at the same level, driving the need to ensure value for money.
- Development of Ceredigion's plans to implement "Rapid Re-housing", with relevant changes to support pathways and needs.
- Welsh Government's intention from March 2024 to include Homeless Prevention Projects under HSG governance, previously noted, with a reduced grant award of c.£200k p.a.
- Welsh Government's confirmation to transfer the Bond Scheme from The Care Society to HSG governance from March 2024.

- Inclusion of Housing First for Youth (Provider direct funded) within HSG governance (possibly from March 2025)
- Inclusion of Youth Innovation Funding (possibly from March 2025)

### **Current Position**

The individual service budgets have been summarised at 2023/2024 levels and have formulated the HSG Proposed Contracts/Spend Plan 24/25. Considering the current financial climate, the total service re-commissioning will not exceed the budget confirmed by WG on 20<sup>th</sup> December 2023, which includes a reduced contribution to the Homelessness Prevention Grant (HPG), now included within HSG management.

Due to increased demand and complexity, some individual service budgets have been amalgamated/increased where needs and client data support the changes, such as Complex Cases (Substance/MH). The proposed service commissioning also reflects discussions with Corporate Teams, to provide a platform to future service development options, in the implementation of the TAW strategy and reducing burden on core budgets.

A key component of the Commissioning Strategy endorsed by the HSG Steering Group, reflects on provider quality, costs and sustaining services long term, with a commitment to longer term contracts, specifically 4 years, plus 2 with appropriate break clauses and conditions included. Since the HSG allocation is confirmed annually by WG, there is a potential risk to the Authority which has been mitigated and managed within the new contract Ts & Cs approved by Procurement and Legal, namely;

- All contracts are totally dependent on the WG allocation and recognise that any reduction or alteration may reduce the budget available and as such the contract(s) can be terminated by the Authority.
- All providers will be set performance, expenditure, and quality measures which if not achieved, can lead to contract improvement notices and termination.

In compliance with governance, the HSG Proposed Contracts/Spend Plan 24/25 identifies the proposed annual service budgets along with the lifetime values and those contracts exceeding £1m in value. As such Cabinet approval is required before the contract award can be completed.

### **Request for Delegated Authority**

The impact of the budget reduction for HPG from April 2024, forces a redesign of service for Temporary Accommodation projects across the County and alignment with existing housing support.

Due to the need for Cabinet approval to be given to all contracts exceeding £1m and the potential delays that gaining this approval may bring, the result may see the existing contact extend past 31 March 2024 and therefore result in a budget pressure due the reduced HPG funding from 01 April 2024.

This paper therefore requests approval to proceed with a request for delegated authority from Cabinet and suggests the following approach;

1. Request Cabinet approval to proceed to tender for the full grant value for the Emergency TA Support contract valued at £1,345,933.20 (4 + 2-year value) to mitigate the HPG funding drop due from April 2024.
2. Request Cabinet give delegated authority to approve/sign off contract award including:
  - a. Cabinet Member, Finance
  - b. Section 151 Officer
  - c. CLO – Porth Cymorth Cynnar
3. Provide confirmation to full Cabinet that contract awards are within original grant and planned service limits at the next suitable Cabinet meeting following award.
4. Provide confirmation of compliance with Procurement regulations.
5. Provide immediate notice of any contract issues where planned values may be over/under budget and require revision of the Spend Plan for 2024/25.

**Wellbeing of Future Generations:**

**Has an Integrated Impact Assessment been completed? If, not, please state why.**

No. Does not refer to policy or service change.

**Summary of Integrated Impact Assessment:**

**Long term:** N/A  
**Collaboration:** N/A  
**Involvement:** N/A  
**Prevention:** N/A  
**Integration:** N/A

**Recommendation(s):**

**That Cabinet APPROVES:**

- 1) the principle of the awarding of the HSG Emergency TA Support contract
- 2) that delegated authority be given to all of the following collectively to approve awarding/ sign off of the contract to the successful tenderer:
  - Cabinet member for Partnerships, Housing, Legal and Governance and Public Protection
  - Cabinet Member, Finance & Procurement
  - CLO-Finance & Procurement (& Section 151 Officer)
  - CLO – Porth Cymorth Cynnar

**Reasons for decision:**

To ensure that the Council can award the HSG contract for Emergency Temporary Accommodation Support in a timely manner and ensure the provider is able to take up the new contract from 1 April 2024

**Overview and Scrutiny:**

N/A

**Policy Framework:**

N/A

**Corporate Well-being Objectives:**

N/A

**Finance and Procurement implications:**

The approval of this recommendation will ensure that the HSG funding allocation for 2024/25 will be met and not result in a budget pressure from the 1 April 2024.

**Legal Implications:**

None

**Staffing implications:**

None

**Property / asset implications:**

None

**Risk(s):**

No suitable providers submit a tender – The 4+2-year contract period has set with a view to mitigating this risk.

**Statutory Powers:**

None

**Background Papers:**

None

**Appendices:**

None

**Corporate Lead Officer:**

Greg Jones, Corporate Lead Officer: Porth Cymorth Cynnar (Interim)

**Reporting Officer:**

Llyr Hughes, Corporate Manager – Housing

**Date:**

03/01/2024