

Eden District Council

Cabinet

22 February 2022

Housing Advice and Homelessness Services Contract

Portfolio:	Resources Portfolio
Report from:	Interim Director of Resources
Wards:	All Wards
<p>OPEN PUBLIC ITEM</p> <p>Appendix 1 is not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972</p>	

1 Purpose

- 1.1 To seek approval for an extension of the Housing Advice and Homelessness Service contract with Eden Housing Association.

2 Recommendations

- 2.1 It is recommended that Cabinet approve a two year extension to the Housing Advice and Homelessness Services contract to 31 March 2024.

3 Background

- 3.1 Eden Housing Association has been responsible for the delivery of the statutory Housing Advice and Homelessness Service on behalf of the Council since 1997, through a formal service contract.
- 3.2 The award of the current contract was approved by Executive in March 2021. The award whilst retrospective followed a procurement exercise undertaken prior to the expiry of the previous contract.
- 3.3 The signing of the contract wasn't completed after it was approved. When this was eventually considered the implication of Local Government Reorganisation (LGR) had become a factor.
- 3.4 In order to recognise this, the section below was added to ensure that the service can be maintained for both EDC and to give some flexibility for the new authority and not leave them without a service.

Subject to the Association performing the Services to the satisfaction of the Council on a year by year basis and approval having been granted by the Council's full council committee the Council shall (in its sole discretion):

- *Have an initial option to extend the Initial Term by 2 years up to and including 31 March 2024 by giving written notice to the Association no later than the extension date.*

- *Have a further option to extend the contract term by a further 2 years up to and including 31 March 2026 by giving notice to the Association no later than 31 December 2023.*

- 3.5 Whilst, there is merit in their consideration and they are at our discretion, approval should have been sought from Cabinet prior to their inclusion.
- 3.6 The existing contact was approved on a direct recharge of actual costs basis in order to ensure best value. It has also proven to be an effective way of managing the contract with Eden Housing Association.
- 3.7 A review of service demand and consideration of likely future demand and pressures that may be experienced over the remaining one year term of the agreement took place in October 2021.
- 3.8 The reduction in relief duty accepted indicates that demand is returning to the pattern seen before the pandemic i.e. more prevention duty cases than relief duty cases. The rise in advice only cases indicates a continued demand for preventative support.
- 3.9 Given the high number of furloughed employments in Eden and the increase in Universal Credit claimants during the pandemic, the loss of the Universal Credit uplift payments and the reduction accommodation available in the Private Rented Sector, there is an anticipation of a further increase in presentations. There is also the potential for an increase in the number of Domestic Abuse presentations, and the number of families requesting assistance.
- 3.10 12% of the applicants to the Housing register from January 2021 to date have some form of arrears, rent arrears or housing related debt.
- 3.11 The following table shows a comparison of the year 2019/20 to 2020/21 and the first two quarters of 2020/21 against the current year.

Homelessness Figures	2019/20 (Q1-4)	2020/21 (Q1-4)	2020/21 (Q1-2)	2021/22 (Q1-2)
No of nights in B&B	30	1,212	830	124
No of Temporary Accommodation units	4	9	9	9
Prevention duty accepted	102	67	30	37
Relief duty (require accommodation)	50	65	43	24
Advice only cases	42	84	39	50

- 3.12 The above information provides background to the staffing requirements and the anticipated estimated recharge costs within the contract set out at Appendix 1.

4 Report Details

- 4.1 The Council needs to consider its service provision arrangements for housing advice and homelessness due to the expiry of the existing contract with Eden Housing Association in March 2022.
- 4.2 The original approval by Cabinet in March 2021 was made not knowing the timescales for LGR.
- 4.3 The approval could have included additional options for extension. They didn't as the procurement resulted in a single tenderer and whilst valid it was felt at the time that the service should be reviewed again as quickly as was feasible.
- 4.4 The LGR decision changes the landscape for the service and contract considerably. The timescales do not allow for the service to be reviewed as had originally been intended.
- 4.5 It is though critical that the services continue to be provided and given that the Council will no longer exist after March 2023 that the new Council is not fettered by any decision made regarding provision of the services.
- 4.6 The only practical way forward is to extend the current contract with Eden Housing Association for the statutory service functions. The alternatives are not able to be completed within the current timescales and in any event would require some form of extension to the contract.
- 4.7 It is also worth noting that Government has said that it is intending to make a direction under section 24 of the Local Government and Public Involvement in Health Act 2007.
- 4.8 This will seek to limit capital and revenue contractual commitments by authorities in the lead up to the new authorities. Whilst, this is outside the timescale Cabinet should be mindful of the timescale for the extension.
- 4.9 Cabinet can rely on the procurement undertaken in order to extend the contract beyond 31 March 2022. A two year extension to 31 March 2024, which would allow the new authority the time to review the service and consider how to deliver from April 2024.
- 4.10 A contract of any longer would not be in line with the original Cabinet decision or the expected mandate through the section 24 direction.
- 4.11 Relying on the procurement already undertaken significantly reduces those risks and given there was only one bidder for the procurement the risks are very low.
- 4.12 The operation of the contract on a direct recharge of actual costs allows the Council to maintain a level of oversight and control and satisfy itself that best value is being achieved.
- 4.13 In addition, the level of budget required for 2022/23 is already included in the Medium Term Financial Plan and whilst it will require the 2022/23 budget to be approved before the contract can be signed there is no additional financial burden to the Council.

5 Policy Framework

5.1 The Council has four corporate priorities which are:

- Sustainable;
- Healthy, safe and secure;
- Connected; and
- Creative

5.2 This report meets the Healthy, safe and secure corporate priority.

6 Consultation

6.1 The Housing and Health Portfolio Holder has been consulted with regards to the report and is content with the proposals.

7 Implications

7.1 Financial and Resources

7.1.1 Any decision to reduce or increase resources or alternatively increase income must be made within the context of the Council's stated priorities, as set out in its Council Plan 2019-2023 as agreed at Council on 7 November 2019.

7.1.2 The anticipated financial implications of the continuation of the homelessness contract are detailed within Appendix 1 to this report.

7.1.3 The costs of the contract are included within the Council's current MTFP, however before the contract can be finalised the budget will need to be approved by the Council on 24 February.

7.2 Legal

7.2.1 Due to the nature of the report the legal implications are considered within the body of the report.

7.3 Human Resources

7.3.1 None at this stage.

7.4 Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	Positive implications, supporting people with limited financial resources and/or in vulnerable position.
Health, Social Environmental and Economic Impact	There would be positive health and social impact arising from the recommendations of the report arising from effective service provision of homelessness relief.
Crime and Disorder	There are no adverse crime and disorder implications arising from this report.
Children and Safeguarding	Positive implications, supporting people with limited financial resources and/or in vulnerable position.

7.5 Risk Management

Risk	Consequence	Controls Required
Risk to Council's delivery of its homelessness statutory functions	Failure in delivery of statutory function and lack of support to residents	Monitoring of detailed agreement and development/refinement of policies/procedures.

8 Other Options Considered

8.1 The timescales mean there are no practical alternatives.

9 Reasons for the Decision/Recommendation

9.1 To ensure that housing advice and homelessness services are provided beyond March 2022.

Tracking Information

Governance Check	Date Considered
Chief Finance Officer (or Deputy)	Report Author
Monitoring Officer (or Deputy)	10 February 2022

Background Papers: None

Appendices: Appendix 1: Provisional Service Agreement 2022 – 2023
subject to Budget approval

Contact Officer: Paul Sutton, Interim Director of Resources