



Item No. 8

Meeting Date **Wednesday 16 November 2016**

Glasgow City Integration Joint Board Finance and Audit Committee

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HOMELESSNESS SERVICE: PRIVATE RENTED SECTOR TENDER

Purpose of Report:

To advise of progress to date in addressing / alleviating homelessness through increased access to private rented sector tenancies alleviating homelessness.

Recommendations:

The Integration Joint Board Finance and Audit Committee is asked to:

- a) Agree the report;
- b) Authorise the Chief Officer of Glasgow City Health and Social Care Partnership to re-tender the Private Rented Sector Service at an increased contract value as outlined in Section 3 of this report.
- c) Refer the report to the Integration Joint Board to approve the direction to the Council to tender the service.

Implications for Integration Joint Board:

Financial:

Increasing the contract value from £230,000 to £460,000 p.a. will significantly reduce the requirement to use Bed & Breakfast (B&B) accommodation and significantly reduce costs to the Council, achieving Best Value (quality and cost). This service will be funded from Homelessness Service recurring revenue budgets.

Personnel:	There are no personnel issues arising for the IJB from this report. However there may be personnel issues relating to potential TUPE or redundancy issues for the existing provider as a consequence of the outcomes of this proposed tender process
Legal:	If approved, the Director of Governance and Solicitor to the Council will be required to conclude contractual arrangements for the award of this service.
Economic Impact:	N/A
Sustainability:	Funding for this service will be met from Social Work Homelessness Service recurring revenue budgets for the duration of the proposed tender period 3+1+1 years.
Sustainable Procurement and Article 19:	N/A
Equalities:	This service is available to all service users who have been assessed as homeless or at risk of becoming homeless regardless of gender, race, religion or sexuality.
Risk Implications:	This tender will consolidate and grow access to private rented accommodation for this service user group, increasing flexibility and supporting the Council to meet its Statutory Duty to accommodate people assessed as being homeless. The risk to the Council of not proceeding is continued use of inappropriate B&B accommodation at current or increased levels at a significantly higher cost to the Council.
Implications for Glasgow City Council:	A Council that supports its vulnerable people. Improved access to suitable accommodation for people experiencing homelessness. The aims of this tender are consistent with aims of the Council Strategic Plan, the GCHSCP Strategic Plan (2016-2019), the Homelessness Strategy (2015-2020).
Implications for NHS Greater Glasgow & Clyde:	Improved health and well-being indicators. Limited, increased demand on HAT and local primary health care services.

1. Purpose

- 1.1 In 2012 following an Open Tender process, the Executive Committee of the Council approved the award of a contract to YPeople for the delivery of a service increasing access to private rented sector tenancies, including a rent

deposit scheme for people experiencing homelessness. This service supports the Council in discharging its Homelessness Duty under Section 32A of the Housing Scotland Act 1987.

- 1.2 This Private Rented Sector (PRS) contract has now concluded and Social Work Homelessness Service is seeking approval to re-tender the service with an increased contract value

2. Background

- 2.1 Glasgow City faces a wide range of challenges in addressing housing need at a time when housing demand often outstrips supply, and where demolition and regeneration programmes have contributed to a reduction in available housing supply. The Council continues to work closely with housing providers to meet our shared statutory obligations to address the needs of those experiencing homelessness, however it is recognised that there are significant pressures in the system that impact on our ability to jointly address housing need.
- 2.2 The Council is currently engaged on a voluntary basis with the Scottish Housing Regulator to try to address the significant shared concerns about our inability to address all housing need for those experiencing homelessness, due to lack of available housing solutions.
- 2.3 A critical aim of the Glasgow City Health and Social Care Partnership Strategic Plan and Glasgow City Council's Homelessness Strategy is to maximise access to all aspects of the housing sector to alleviate homelessness and improve choice for those experiencing / or at risk of homelessness. In 2012 an Open Tender process was undertaken by Social Work Services Homelessness Services to identify a suitable provider to develop and deliver a service to form part of Glasgow City Council's response to preventing and alleviating homelessness by utilising resources within the private rented sector.
- 2.4 The current service has successfully demonstrated that the private rented sector is willing to engage with and support the needs of people experiencing homelessness by providing temporary accommodation to meet a variety of housing need e.g. large properties for bigger families, properties for young people with live in carers, properties suitable for disabled people etc. The service currently provides access to 156 temporary flats and an additional 76 flats have been secured via the rent deposit scheme.
- 2.5 The service also provides service users with support regarding DWP, Housing Benefit and tenancy sustainment. They also signpost to other agencies such as Housing Support, Welfare Rights and specific support groups as appropriate. Rent levels are capped at Local Housing Allowance rates or below in an effort to create more affordable options in the private rented sector.

3. Proposal

- 3.1 The current Private Rented Sector service has enabled the Homelessness Service to “test the marketplace” in relation to the willingness of private sector landlords to engage with services and provide accommodation for people experiencing homelessness. The service has clearly demonstrated there is market interest and the potential for further growth in this area.
- 3.2 The current contract value is £230,000 p.a. The Homelessness Service seeks Integration Joint Board Finance and Audit Committee approval to increase the contract value to £460,000 p.a. This increased cost will be met from mainstream homelessness recurring revenue budgets.
- 3.3 In order to consolidate the use of private accommodation and support growth and development in this area it is proposed that the contract be awarded on the basis of a 3+1+1 contract duration. Contract monitoring will be carried out in compliance with the requirements of the Social Work Contract Management Framework, with a full service review in year 3. The contract will be awarded on the basis of a block contract.
- 3.4 Given pressures faced by homelessness services and our current inability to address all presenting need, the Homelessness Service currently makes use of Bed & Breakfast accommodation. This is not a preferred option, rather one of last resort and the service is proactively seeking to reduce the requirement to use such services. Increasing capacity through the expansion of the Private Rented Sector service will secure more appropriate accommodation for service users at a significantly reduced cost to the Council.

4. Recommendations

- 4.1 The Integration Joint Board Finance and Audit Committee is asked to:
 - a) Agree the report;
 - b) Authorise the Chief Officer of Glasgow City Health and Social Care Partnership to re-tender the Private Rented Sector Service at an increased contract value as outlined in Section 3 of this report.
 - c) Refer the report to the Integration Joint Board to approve the direction to the Council to tender the service.