

**REPORT TO:** Executive Board  
**DATE:** 15 September 2016  
**REPORTING OFFICER:** Director of Adult Social Services  
**PORTFOLIO** Physical Environment  
**SUBJECT:** Brennan Lodge Supported Housing Scheme  
**WARDS:** Borough-wide

## **1.0 PURPOSE OF REPORT**

1.1 The purpose of the report is to inform the Executive Board that the contract with the Salvation Army, who were commissioned to deliver services at Brennan Lodge supported housing scheme for single homeless people, has been terminated.

## **2.0 RECOMMENDATION: That the Board**

- 1) Note the report;**
- 2) Note that the contract with the Salvation Army has been terminated; and**
- 3) Note that a re-procurement process has commenced, the outcome of which will be reported to the Executive Board.**

## **3.0 SUPPORTING INFORMATION**

### **3.1 Background information**

3.1.1 The service was originally commissioned to provide a single homeless service in Widnes, as the majority of supported accommodation for this client group was sited in Runcorn.

3.1.2 Halton Housing Trust is the housing provider, and the property developed in partnership with the Council to ensure the service met our requirements.

3.1.3 The service was procured in 2014/15 and was originally due to open in April 2015. Delays in the building work and handover of the property however, resulted in the service opening in July 2015.

3.1.4 The Salvation Army were commissioned to deliver the service following a robust procurement process, and following contract award they joined the steering group responsible for the property

development. This ensured The Salvation Army was fully involved in the later stages of the development together with the Council and Halton Housing Trust.

- 3.1.5 Since the official opening of the Scheme in July 2015, the Housing Solutions Team was involved with residents and staff. The designated officer provides a weekly outreach support and advice service to residents and conducts regular case reviews with staff, to ensure that the required move on process is fully promoted.
- 3.1.6 Late August 2015, a number of procedural issues were identified within the scheme, with HBC staff reporting unacceptable levels of conduct and lack of support for residents. An issue occurred early September 2015, involving a young person going missing and the scheme staff failing to activate the missing from home policy.
- 3.1.7 It was evident at an early stage that the staff were not fully equipped to deal effectively with young people. During the review visit the level of discussions confirmed the lack of support and monitoring of young people within the scheme.
- 3.1.8 A multi-agency meeting was held on 19<sup>th</sup> September 2015, involving CSC Commissioners / Principal Managers and Police to discuss the above issues. Due to the safeguarding concerns highlighted, it was considered necessary to suspend the service and transfer all the young people from the scheme, all of whom were placed in alternative supported housing schemes or facilitated back home.
- 3.1.9 Salvation Army management were notified of the above action and agreed to work with HBC to complete and implement the devised action plan. The Salvation Army management agreed to implement further safeguarding measures, which included additional staffing within the scheme and an additional scheme manager to reinforce procedural practice and level of commitment to the service.
- 3.1.10 Since the scheme opened there has been complaints received, both internally and externally, which prompted a planned visit to Brennan Lodge. The service audit visits were undertaken by Principal Manager (Homelessness) and Quality Assurance Officer to complete an audit review of procedural practice, service provision and support within the scheme. The purpose was to ensure that staff were fully equipped and trained to manage, support and safeguard vulnerable residents accommodated. Unfortunately, during the number of visits completed, it was evident that the lack of action instigated by the scheme manager and continuance of errors was not considered acceptable. Due to the ongoing issues and areas of concern identified within the scheme, an action plan was devised for the relevant officers to update and complete.

- 3.1.11 A number of meetings and visits have been completed during the last 10 months. As part of the review process, further discussion meetings were held with the Salvation Army management team to outline the areas of concern, offering recommendations of best practice, including training and support available.
- 3.1.12 During each service audit review, the Salvation Army management have been asked if they could confidently manage the service at full capacity. On each occasion they stated they were not in a position to manage the service at full capacity and reinforced the findings of audit reports. The management team expressed their own concerns and requested additional time to implement the required actions before considering lifting the suspension.
- 3.1.13 The service audit review completed June 2016 confirmed that there had been slight improvements, however, repeated errors still existed within the procedural practice and case file management that had not been addressed previously.
- 3.1.14 The service is a 39 bed scheme, which has accommodated less than 40% during the last eight months, thus reaffirmed the concerns around service management and ability to provide an efficient service at full capacity. Furthermore, officers were not confident in removing the suspension or referral restrictions.
- 3.1.15 The level of involvement from HBC officers has not only proven time consuming, but difficult to manage. Due to the ongoing issues and concerns around resident welfare and lack of procedural practice, this has placed additional pressure on the review officers to undertake regular reviews to minimise the risks.
- 3.1.16 The following options were considered:

	<b>Option</b>	<b>Detail / Risk</b>
1	Fully lift suspension	<p>This option would see an increase in referrals into the service, with agreed targets for occupancy levels and the expectation that the service would be up to full occupancy within a month.</p> <p>Although there has been some improvement in the quality of service being delivered by the Salvation Army, this has only been minimal progress and achieved when the service was running at low occupancy levels. Officers have concerns about their ability to manage at full capacity</p>
2	Continue with partial	This is not considered a viable option as the service has been subject to a

	suspension	<p>suspension/partial suspension for 8 months.</p> <p>HBC continues to pay the full contract value during the suspension period but this cannot continue as it does not represent a value for money service.</p> <p>Any reduction in funding will impact TSA who will already be incurring void losses from current occupancy levels.</p>
3	Terminate contract with The Salvation Army	<p>This would see TSA given 3 months notice of intention to end the contract.</p> <p>During this time, officers from Housing Solutions and Commissioning will work with TSA and other support providers to move people in a safe and managed way, either into settled move on accommodation (with floating support where required) or into an alternative single homeless service at Halton Lodge (YMCA)</p>

- 3.1.17 Given the issues outlined above, Option 3 represented the best method of ensuring a safe, efficient and cost effective service.
- 3.1.18 The preferred option was to terminate the contract and retender this service to ensure there is sufficiency provision in Halton, with a geographical balance of single homelessness services within Widnes and Runcorn. If the service was not re-commissioned, it could prove detrimental and costly to the Local Authority. Consequently, there would be an increase in Bed and Breakfast placements and clients being placed out of Borough, which is considered inappropriate.
- 3.1.19 The Local Authority has now served formal notice to the Salvation Army, giving three months' notice to terminate the contractual agreement. Both staff and residents have been notified of the situation and provisions underway to address both the financial void implications and decant process.
- 3.1.20 An implementation plan has been developed to move people out of Brennan Lodge in a safe and structured way, and will link into other services, including the single homeless service at Halton Lodge (YMCA Building) and the Plus Dane/ SHAP floating support service for those who have secured move on properties but still require an element of housing support.
- 3.1.21 Nationally and Locally trends indicate a gradual increase in homelessness, which is predicted to continue. The increased levels in

both homelessness and prevention is contributed by legislative changes, welfare reform, universal credit etc., thus placing additional pressures on homelessness services and temporary/permanent accommodation provision.

### 3.1.22 Homeless Statistics Table:

	2011/12	2012/13	2013/14	2014/15	2015/16
Presentations	154	166	197	247	277
Acceptances	64	86	32	49	34
Homeless Prevention	492	431	777	798	989
Advice & Assistance Prevention	1665	2079	1781	1857	2057
B&B	0	0	0	0	0

3.1.23 As indicated within the table above, the gradual increase will place additional pressure upon the Local Authority to ensure additional accommodation resource is available to discharge legal duty.

## 4.0 POLICY IMPLICATIONS

4.1 None

## 5.0 FINANCIAL/RESOURCE IMPLICATIONS

5.1 Payment is still being made at the full contract value despite the service operating at reduced capacity for eight months. It is not financially viable for the Council for this to continue.

5.2 In addition, there are financial implications for The Salvation Army who will be incurring void loss costs together with additional staffing costs for the temporary manager. It is unclear if this is financially sustainable for provider, but it The Salvation Army has been informed these additional costs will not to be met by Halton Borough Council.

5.3 There is also a potential implication for the Council's Bed and Breakfast budget if the service is not re-procured.

5.4 The present contract value for the service is £656,709, which needs to be considered as part of the retendering process.

## **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

The termination of the Salvation Army contract will have short term implications for the Council's priorities. The supported accommodation provision is a valued requirement, which allows the Local Authority to administer and comply with statutory homelessness legislation.

The procurement process will run parallel to the Salvation Army contract notice period. However, there will be a short period when the scheme will be empty, prior to the new contract being awarded. This will reduce the level of accommodation provision available within the Borough, which may result in the use of bed and breakfast accommodation.

### **6.1 Children & Young People in Halton**

The Local Authority has a statutory duty towards vulnerable young people presenting as homeless and ensure they are fully supported to access all housing and support options and services available,

Children's services commissioned an emergency bed for 16/17 year olds, which was located within the Brennan Lodge Scheme. This provision has now ceased, thus reducing the level of temporary provision available for young people presenting as homeless.

Discussions are underway with another accommodation provider within the Borough. A full risk assessment will be undertaken to determine the appropriateness and safety of the accommodation to meet the needs of vulnerable young people.

The lack of temporary accommodation resource will place additional pressures on the relevant services and accommodation providers within the Borough.

### **6.2 Employment, Learning & Skills in Halton**

The Housing and Support Gateway service will ensure appropriate referrals are made into housing support and accommodation services to meet any identified employment and training needs.

### **6.3 A Healthy Halton**

The Authority will continue to provide services to support vulnerable people to access accommodation, health and care services.

### **6.4 A Safer Halton**

The procurement process will determine the new contract provider; meanwhile, the appropriate referrals will continue to be made into housing support and accommodation services to keep vulnerable people safe in the community.

**6.5 Halton's Urban Renewal**

None identified.

**7.0 RISK ANALYSIS**

7.1 This has been included in the options appraisal at Section 3.

**8.0 EQUALITY AND DIVERSITY ISSUES**

8.1 It has not been appropriate, at this stage, to complete a Equality Impact Assessment (EIA), however should the decision be to recommend the contract be terminated this will be undertaken.

**9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the Act.