

Report of Strategy and Commissioning, Office of the Director of Public Health

Report to Director of Environment and Housing

Date: 9th February 2015

Subject: To seek approval to waive Contract Procedure rules 9.1 and 9.2 and approve Contract Procedure Rule 22.1 in order to enter into new contracts with Foundation and Home Group for delivery of housing related support services for offenders.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The Council commission services from Foundation and Home Group which provide housing related support for offenders and those at risk of re-offending. These services are currently subject to contracts which expire on 31st March 2015 and have an option to extend for a further 12 months.
2. Reforms to offender management introduced by the Government's Transforming Rehabilitation programme will bring about changes to the delivery of supervision to offenders. The Council needs to consider the impact of the reforms on services commissioned by the Council.
3. Approval is being sought to terminate the current contracts and to establish new contracts which allows time to conduct a review and full assessment of the changes brought about by Transforming Rehabilitation, and form recommendations about what the Council should commission in the future in the context of the changes.
4. New contracts will commence from 1st April 2015 for a period of six months, with provision to extend for a further 6 and 12 month period to the end of March 2017.

Recommendations

1. The Director of Environment and Housing is recommended to approve CPR 22.1 in order to terminate existing contracts and to enable the establishment of new interim contracts.
2. The Director of Environment and Housing is recommended to approve waiver of Contracts' Procedure Rules 9.1 and 9.2 to establish contracts with Foundation and Home Group for provision of the following services, on the following terms:

Foundation:

A six month contract for the Adult Offender Floating Support service commencing 1st April 2015 to 30th September 2015 with an option to extend for further separate six and twelve month periods. Contract value not exceeding £429,739.65 per annum. This reflects a saving of 10% on the current contract value.

A six month contract for the Adult Offender Accommodation Based service commencing 1st April 2015 to 30th September 2015 with an option to extend for further separate six and twelve month periods. Contract value not exceeding £162,047.38 per annum. This reflects a saving of 10% on the current contract value.

Home Group:

A six month contract for the South Leeds Tenancy Sustainment service commencing 1st April 2015 to 30th September 2015 with an option to extend for further six and twelve month periods. Contract value not exceeding £80,081.40 per annum. This reflects a saving of 8% on the current contract value.

A six month contract for the Kirkstall Lodge service commencing 1st April 2015 to 30th September 2015 with an option to extend for further six and twelve month periods. Contract value not exceeding £52,678.50 per annum. This reflects a saving of 13% on the current contract value.

1.0 Purpose of this report

- 1.1 The purpose of this report is to seek approval to waive Contracts' Procedure Rules 9.1 and 9.2 and approve Contract Procedure Rule 22.1 in order to establish contracts between the Council and Foundation and the Council and Home Group for provision of services to deliver housing related support for offenders. This will ensure that services are maintained whilst a review of the changes instigated by Transforming Rehabilitation is conducted and an assessment of what the Council should commission in the future is completed.

2 Background information

- 2.1 The Council commissions a programme of services that deliver a combination of floating and accommodation-based housing related support to vulnerable people in Leeds, managed by the Strategy and Commissioning Team in Public Health on behalf of Environment and Housing.

- 2.2 The primary aim of these services is to enable people to achieve and maintain independent living supporting people with a range of support needs including those who are experiencing homelessness, mental health problems, drug and alcohol addiction and domestic violence. A strategic review of these services is currently underway, excluding those supporting offenders, with remodelling and completion of re-procurement of these services expected by April 2017. It is recommended that if it is established that there is an ongoing need to commission services for offenders, that the contracts outlined in this report are included in scope for consideration as part of this wider review of housing related support services.
- 2.3 Foundation provide support to a total of 144 people who have recently been released from prison or have a history of offending. The Accommodation Based service offers forty, one bedroom self-contained properties along with weekly visiting support to help people for up to nine months to improve independent living skills and identify suitable longer term accommodation. The Floating Support service offers visiting support for a period up to two years to people in their existing accommodation who may need help sustaining their tenancy or assistance to secure more suitable housing.
- 2.4 Home Group provide support to 36 people across two services; the South Leeds Accommodation Service supports up to 27 people living in shared accommodation with staff on site. Part of the service offers support specifically for female offenders. The Kirkstall Lodge service offers support to 9 people in self-contained bedsit accommodation for up to two years, and is specifically designed to support people with more complex needs.
- 2.5 Both services receive the majority of referrals from the former West Yorkshire Probation Trust and Leeds Prison but also provide routes into supported accommodation for clients of other key stakeholders including Leeds Housing Options, West Yorkshire Police and Approved Premises (Bail Hostels). Understanding the roles and responsibilities of these stakeholders in relation to housing and support will be a main part of the review work during the next few months.
- 2.6 The Offender Rehabilitation Act 2014 introduced proposals to change the way offenders are supervised in the community on release from prison. These changes are set out in the Government's Transforming Rehabilitation strategy. The main proposals are:
- Extending supervision and rehabilitation for those sentenced to fewer than 12 months in custody (currently applicable only to those serving 12 months or greater).
 - Replacing the 35 Probation Trusts with a new National Probation Service (NPS) and 21 Community Rehabilitation Companies (CRCs). The CRCs will employ former Probation Trust staff and be run by new providers appointed through the government's competition process.

- Establishing resettlement prisons so that offenders are based in prisons close to home before release. The West Yorkshire resettlement prisons are HMP Leeds, HMP Newhall and HMP Wealstun.

- 2.7 During 2013 several consortia of private companies, public and not for profit organisations submitted bids to deliver the regional supervision lots. The successful bidders were announced in late 2014 and took ownership of the 21 CRCs to begin supervision of short-sentenced and longer sentenced prisoners from 1st February 2015.
- 2.8 The successful bidder in West Yorkshire is Purple Futures, a consortium led by Interserve Ltd (a private company) with 3SC a social enterprise and the charities Addaction, P3 and Shelter.
- 2.9 High risk prisoners will remain under the supervision of the National Probation Service. The new NPS will retain responsibility for public protection. It will manage those offenders who pose the highest risk of harm, including MAPPA (Multi-Agency Public Protection Arrangements) cases. It will carry out risk of serious harm assessments for every offender, advise the courts and the Parole Board and manage enforcement for most offenders.
- 2.10 The services delivered by Foundation and Home Group provide housing related support to people who have been released from prison and for those who are being supervised in the community who are in housing need. This function includes identifying support needs of the individual and meeting these needs with the aim of reducing the risk of re-offending.
- 2.11 The role of the new CRCs will involve supervising people who are leaving prison having received a sentence of more than one day, and also supervision of those people who have received community based sentences by the courts. Part of this role will be identifying support needs from an assessment completed by prison staff.
- 2.12 The role of the CRC in supervision and reducing re-offending may extend towards ensuring that offenders have access to suitable accommodation and support on release or whilst serving their sentence in the community. The services commissioned by the Council with Foundation and Home Group currently deliver this service and potentially this may be a duplication of roles.
- 2.13 A period of review is necessary to assess the impact of the new arrangements and determine any necessary revisions to the current contracts to reflect the function of the CRC operating in Leeds. These services are currently held on contracts which expire on 31st March 2015 with the option to extend for a further 12 month period. However this contract period is insufficient to enable a full review and potential phased amendments to the contract as the new pathways and working arrangements become clear.
- 2.14 The new contract periods as recommended within this report will enable co-terminus contract periods in line with the services subject of the wider review of commissioned housing related support allowing the option of remodelling of offender specific services into the wider recommendations of the main review.

3 Main issues

- 3.1 The services commissioned by the Council through Foundation and Home Group deliver housing related support to people who are offenders or have an offending background and require help to identify or sustain suitable accommodation. It is recognised that stable accommodation is a key factor in reducing the risk of re-offending.
- 3.2 It has been determined that the service operation model for CRCs as described in Transforming Rehabilitation involves close work with prison staff to share prison needs assessment information to inform a supervision plan. This plan may identify that accommodation is not in place on release, or that it is unsuitable and requires alternative provision. Other requirements may be that the person needs a period in supported accommodation on release due to their support needs or risk issues.
- 3.3 These accommodation and support needs have up to the present time been met largely by the commissioned services delivered by Foundation and Home Group. The new responsibility of CRCs to supervise all low to medium risk prisoners on release following both short and long sentences will focus primarily on reducing re-offending and ensuring their compliance with the conditions of supervision orders. However an element of their needs and factor to reduce re-offending may relate to securing safe and suitable accommodation on release.
- 3.4 The guidance documents issued which set out the operation model of the CRCs also stipulate the delivery of 'Through the Gate' support to offenders, this being a model whereby they are accompanied on the day of release to suitable accommodation to ensure successful resettlement. This provision is currently delivered in part by some of the services commissioned by the Council.
- 3.5 Based on the available information and review work currently undertaken those commissioned services which deliver visiting support provided through visiting or 'floating' support appear to show greatest similarity to the future role of the CRCs. The accommodation based services which have on-site staffing and receive referrals for offenders with complex needs and higher risks may offer established routes into accommodation that will not be the responsibility of the CRC and remain with the NPS. Similarly visiting support to NPS clients may be something that the Council wants to maintain in the future.
- 3.6 Since the CRCs came into effect from 1st February 2015 officers within Strategy & Commissioning have been engaging with key partners to identify the changes to delivery of supervision and support and inform the review process. It will take more time to determine the role and responsibility of the CRC and how this impacts on the commissioned services.
- 3.7 It is expected that there will be a reduction in contract value to one or more of the contracts from 1st October to reflect the changes in roles and outcome of the review.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Meetings have been held with Foundation and Home Group to discuss the changes brought about by the introduction of the CRCs and the need to review the role of commissioned housing related support services.
- 4.1.2 Further regular meetings and consultation will be held with both Foundation and Home Group as the work of the CRC and local delivery mechanisms become clear during the review period, to discuss and agree any variation in contract and reduction in funding arising from the review.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration Impact Assessment screening form has been completed in relation to this decision. The screening form has recommended that it is not necessary to complete a full assessment as there will be no differential impact on equality characteristics by the decision to put in place new interim contracts for the current unaltered services. The efficiencies made in the contract value will have no impact on front line delivery of the service.

4.3 Council policies and City Priorities

- 4.3.1 The services commissioned with Foundation and Home Group both contribute directly to the strategic aims of the Safer Leeds Strategy 2014/15 in managing offending behaviour and making communities safer.
- 4.3.2 These services also contribute towards the delivery of the Safer and Stronger Communities strand of the City Priority Plan, namely in reducing re-offending and the overall crime rate.
- 4.3.3 Any decisions arising from the review and revision of these contracts will be made in consultation with key partners and elected members, ensuring suitable provision of support to offenders is maintained and progress is sustained in achieving strategic outcomes around community safety and re-offending.

4.4 Resources and value for money

- 4.4.1 These services have been subject to regular contract management and assessment to monitor value for money and performance of the services.
- 4.4.2 In 2013 a review of the weekly support charge funding resulted in a proportion of eligible costs transferring into housing benefit however the majority of funding remained through the Council.
- 4.4.3 Discussions with the service providers about forthcoming changes have included a request to identify 10% efficiency savings based on current contract values. This is in line with regular practice of reviewing service costs for all commissioned services.

4.4.4 The proposed contract values for the initial six month contract are based on these revised figures. It is anticipated that following the review of the CRC role and determining their role in providing housing and support for offenders a further reduction in the contract value will be made representing this change in provision.

4.5 Legal Implications, Access to Information and Call In

4.5.1 This is a Key Decision as the maximum combined cost of services within this review is in excess of £250k. A notice was published on the List of Forthcoming Key Decisions on the 26th January 2015.

4.5.2 Advice has been sought from Public Private Partnerships and Procurement Unit about the process required for the review and interim contracting arrangements for services.

4.5.3 The report suggests the waiver of Contracts Procedure Rules 9.1 and 9.2 to allow continuity of services whilst a service review is undertaken and the subsequent procurement.

4.6 Risk Management

4.6.1 Interim contracts would allow continuity of provision whilst the review is completed after which services will be re-modelled, re-tendered and/or decommissioned to achieve best value. Contracts will continue to be performance managed by officers in the Strategy and Commissioning team during the review period and any safeguarding or performance issues will be addressed.

4.6.2 Without these interim arrangements services would fall out of contract causing significant risk to the council and its providers. Should the services not continue to be delivered beyond the expiry of the current contract, this would result in vulnerable people being without support, including those to whom a statutory housing duty may be owed.

4.6.3 During the review of these services consultation with key partners will take place to determine which organisations have responsibility for the range of low to high risk offenders requiring support and supervision across the city, and to ensure that any changes to services do not create any lack of provision or increase any risks of re-offending.

5 Conclusions

5.1 The Offender Rehabilitation Act 2014 introduced proposals to change the way offenders are supervised in the community on release from prison and these have been introduced from 1st February 2015 as part of the Transforming Rehabilitation Programme.

5.2 The newly established CRC in Leeds will supervise all low to medium risk offenders on release from prison and those serving community sentences in order to reducing re-offending and ensure compliance with supervision orders. It may be that part of this work will include facilitating routes into suitable accommodation and ensuring this is sustained to reduce the risk of re-offending.

- 5.3 Services currently commissioned by the Council and delivered by Foundation and Home Group provide housing related support to offenders and those at risk of offending.
- 5.4 Potential for duplication of provision by these services and the work of the CRC has been identified however the exact roles and delivery of the services is not yet known. A period of review is required to achieve this work and make agreed variations to the contracts of the commissioned services.
- 5.5 Current contracts do not provide sufficient scope for this review and remodelling to take place within the timescales of the wider review of housing related support services which concludes in March 2017.

6 Recommendations

- 6.1 The Director of Environment and Housing is recommended to approve CPR 22.1 in order to terminate existing contracts and to enable the establishment of new interim contracts.
- 6.2 The Director of Environment and Housing is recommended to approve waiver of Contracts' Procedure Rules 9.1 and 9.2 to establish contracts with Foundation and Home Group without seeking competition for provision of the following services, on the following terms:

Foundation:

A six month contract for the Adult Offender Floating Support service commencing 1st April 2015 to 30th September 2015 with an option to extend for further separate six and twelve month periods. Contract value not exceeding £429,739.65 per annum. This reflects a saving of 10% on the current contract value.

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7 Background documents¹

¹ The background documents listed in this section are available to download from the Council's website,

7.1 Equality, Diversity, Cohesion and Integration Impact Assessment screening form

unless they contain confidential or exempt information. The list of background documents does not include published works.