

REPORT TO: EXECUTIVE CABINET

Date: 25 October 2023

Executive Member: Councillor John Taylor - Executive Member (Adult Social Care, Homelessness & Inclusivity)

Reporting Officer: Stephanie Butterworth – Director Adult Services

Subject: **ADULT SERVICES HOUSING AND ACCOMMODATION WITH SUPPORT. PRIVATE RENTED ADULT SERVICES HOUSING OPPORTUNITIES IN THE PRIVATE RENTED SECTOR TO SUPPORT ADULTS RESETTLEMENT PROGRAMME**

Report Summary: As outlined in the Adult Services Housing and Accommodation with Support 2021-2026 report that was approved at Strategic Commissioning Board (SCB) 16 December 2020 - the demand for accommodation with support in Tameside is now outstripping supply. There are currently 55 people on the waiting list held in Adult Services by its Accommodation Options Group (AOG), and there are 8 people identified for transition in the next two years from Children's Services requiring 24-hour support who need to be planned for. In addition, the number of people with a learning disability or mental health needs living in costly out of borough places has increased recently, primarily due to the lack of supported accommodation capacity locally to meet need. There is a real concern that without increasing capacity such costly placements will very quickly become long term and the opportunity to return people to supported living in the borough at a reduced cost will be lost. The report outlined a range of accommodation schemes needed over the coming 3-5 years to meet current and future need across all adult groups.

The properties being offered by Private Sector Landlords are in line with the range of accommodation identified in the SCB report and would provide quality accommodation to meet the needs of a group of service users that are currently placed in out of borough placements realising a potential cost saving to the authority.

Recommendations:

- 1) That approval is given for Adult Services to progress accommodation options through the private rented sector, to increase capacity in the borough for the provision of supported accommodation for adults with care act eligible needs to live in their own homes.
- 2) That authority is given to the Director of Adult Services to agree terms, in consultation with the Head of Legal to enter agreements to secure property to deliver 24 hour supported accommodation for individuals with care act eligible needs.
- 3) That authority is given to the Director of Adult Services to agree, in consultation with the Head of Legal and Director of Resources, the delivery of the care and support through the in house homemaker service at each property given the complex needs of the people identified for resettlement, thereby delivering best value for the Council.

Corporate Plan: The service links into the Council's priorities :-

- Help people to live independent lifestyles supported by responsible communities.
- Improve Health and wellbeing of residents

- Protect the most vulnerable

Policy Implications:

The “People at the Heart of Care: Adult Social 10 year strategy to include all those who interact with social care. Not just those accessing direct services that have been identified as having eligible needs under the Care Act 2014 or assessed as requiring preventative services to delay eligibility and entrance to eligible services. It also includes new burdens on local authorities for those who currently self-fund their care and support needs.

Financial Implications:

(Authorised by the statutory Section 151 Officer & Chief Finance Officer)

The recommendations in this report seek to obtain authority to enter into agreements with private landlords to gain access to the private rental sector to alleviate the current demand for properties for Adult Social Care services users.

There are current demand pressures and overspends within adult social care, particularly in high cost supported accommodation and residential placements. The period 5 financial position was a forecast overspend of £4.428m for the service. The recommendations in this report look to reduce costs within adult social care by obtaining in borough private rented accommodation to reduce the need for more expensive out of borough placements. Based on the scenarios in Appendix A of the report, there is an estimated annual cost saving of £0.533m. The part year impact in 2023/24 will need to be calculated when individual properties are secured and service users resettled into the properties.

The service is looking to enter into tri-party agreements with private landlord and registered providers to obtain access to private rental properties. The rental cost and services charges would be entirely covered by housing benefit claims by the service user under exempted accommodation. The cost to the Council would be the support provided as part of the service users care package.

The service has also stated that an additional Assistant Team Manager may be required if the internal homemaker service took on an additional 5 properties. This would be an additional cost pressure which would need to be factored in when considering any new properties for the internal service. Any request for additional recruitment would need to be made as part of an Executive Decision to bring any private properties online with the service.

The main financial risks around this approach would be the cost to the Council of any void periods. As the properties are rented from private landlords, the rental charge will be at full market value. This will result in a higher cost for any void periods compared properties rental from the social housing sector. The service would need to ensure that any void periods are minimised to fully achieve any saving against external provision.

Other financial risks include the risk of any change to current housing benefit regulations, this could result in the full rental value or service charge not being covered by the housing benefit claim. While the likelihood of this risk is minimal as there are no current plans to change housing benefit regulations, this could be a risk in any future agreement with private landlords.

The service can mitigate this risk by having increased flexibility on rental terms with private landlords, where smaller rental terms such as 12 months can be agreed. Social Landlords usually ask for lengthier terms to secure the rental income for properties.

The scenarios in Appendix A of the report are costed using 6 current service users with high-cost packages of care who are included on the resettlement plans as part of the current year savings requirement of £0.750m. The comparison used in Appendix B is between the current weekly cost of the service user's package and the cost of providing the same package of care in borough using the Councils in-house homemaker service.

While these scenarios are given as a guide to the potential savings that could be made. Each potential property that comes into scope would require a detailed business case to ensure that the property is both suitable for the individual and is financially viable compared to the current cost of the care package.

As part of the business case, all options should be considered including providing the care support from external parties to achieve best value for money for the Council.

The Directorate need to ensure that appropriate break clauses are included within any future contract arrangements. This will ensure that the commissioned service can either be reduced or withdrawn in the event of the same impact on related funding. This is to mitigate any adverse financial impact on the Council.

Any uplift in commissioned contract values due to inflation, demand or service configuration will need to be taken into account within the service specification to ensure that it is affordable within the available annual budget allocation for the contract duration.

It is essential that value for money is evaluated as part of the tender submission review process and that this is clearly evidenced and retained for section 151 officer assurance.

In addition an Executive Decision will be required prior to award of the resultant contract. This is in accordance with the value thresholds within the Council's Financial Regulations approved at full Council on 5 October 2021 – section 4 Procurement Decisions – Award Of New Contracts within the section headed 'Financial Delegations' refers.

The Council's Financial Regulations are available for reference via the following link.

[Financial Regulations \(moderngov.co.uk\)](https://www.moderngov.co.uk)

**Legal Implications:
(Authorised by the
Borough Solicitor)**

As set out in the main body of the report an opportunity has arisen which could assist the current position relating to adults accommodation.

Legal services will support the project officers to ensure that appropriate legal agreements are entered into including the tri parte agreement, leases and commissioning arrangements with due diligence being undertaken prior to any legally binding agreements being entered into.

Risk Management:

Risks will be identified and managed by the appropriate officers.

Background Papers:

The background papers relating to this report can be inspected by contacting Adam Lomas

Telephone: 07813441348

e-mail: adam.lomas@tameside.gov.uk

1. INTRODUCTION

- 1.1 The Council has a proud record of supporting adults who have complex needs requiring 24 hours per day support in ordinary housing – in both group homes and in larger schemes of self-contained flats. This started in the early 1990s with supporting people to move out of institutional care - both from long stay hospitals and local authority hostels - into ordinary housing in the community with the support required to meet assessed needs.
- 1.2 The demand for supported living schemes in Tameside is outstripping supply and there is therefore a need to expand the amount of supported accommodation to meet this. There are currently:
- 55 people on the waiting list held by Adult Services Accommodation Options Group (AOG).
 - 29 people identified for transition from Children's Services in the next four years (16 within the next two years) all of whom require 24-hour support.
 - 22 people that are currently supported by family in the community who will require supported accommodation in the longer term.
 - 25 people supported in 10 shared houses which have been identified as not fit for purpose for their longer-term needs.
 - In addition, the number of adults with complex needs living in costly out of borough placements continues to increase primarily due to the lack of capacity in services locally to meet need. Without increasing capacity such costly placements will very quickly become long term and the opportunity to return people to supported living in the borough will be lost.
- 1.3 Information from the Tameside Housing Needs Assessment (December 2017) highlights that:
- By 2031 there will be a need for an additional 83 units of specialist accommodation for people with learning disabilities
 - Within the same timescale a need for an additional 281 units of supported accommodation for people with mental health needs
 - By 2035 we need an extra 720 wheelchair friendly homes, including 187 fully wheelchair adapted properties.
- 1.4 This need has been further clarified in Adult Services Market Position Statement, which was agreed at the September 2023 Cabinet. This statement highlights a need for seven two-four bed houses for individuals with learning disabilities/ autism care needs, and ten three-five bed houses for individuals who require bespoke housing solutions.
- 1.5 As part of the Council's cross cutting budget work, we continue to develop a programme including resource requirements, provision, and type of accommodation to meet the current identified need and projections. This will focus on supporting all adults to Live Well at Home, whilst we will continue to source new accommodation from the marketplace with partners to deliver this in a timely manner utilising existing and new resources.
- 1.6 The Council continues to face significant budgetary challenges and Adult Services has been proactive in reviewing its models of service delivery, looking at innovative approaches to deliver high quality services whilst reducing the cost of provision significantly.
- 1.7 One significant area of service delivery, and therefore adult social care budget, is the delivery of 24 hour supported living for people with complex needs. In particular, the provision of support in single service accommodation were out of area and off contract provision is high cost. The move to larger schemes of self-contained flats offering 24-hour support to people with complex needs, such as Mount Street have successfully challenged the need for group living delivering positive outcomes, and in the process improving the quality of lives of people who have complex needs living for the first time in their own apartments. However, there are

an identified cohort of young adults who require individual services whose complex needs cannot be met in larger schemes, so an alternative option is required.

- 1.8 Alongside this new demand, Adult Services constantly reviews the accommodation it uses to provide support to people and concluded that 10 of the properties currently being used are no longer fit for purpose and do not match the ambition Adult Services has for the people it supports. It is also the case that not all the people living in group homes need to remain in such settings and are ready, to move into their own self-contained accommodation in larger schemes with appropriate access to 24-hour support.
- 1.9 Consultation with individuals via the 'My House, My Home' exercise has identified people's choices and preferences for where they live, and for a significant number this model of living is proving to have enhanced their feeling of personal self-worth and improving their outcomes. The proposed properties may allow for some of these outdated properties to be removed from the housing stock as choice of homes is widened and individuals are able to move into their chose accommodation with appropriate support.
- 1.10 With the success seen in Tameside's in house and contracted supported living schemes Adult Services have been looking at opportunities to apply this approach further to deliver the benefits of supported accommodation for people. The aim is to increase the capacity of accommodation in the Borough to allow for individuals to return from costly out of borough or off contract placements, meeting their identified needs locally and reconnecting them to their local family and support networks, and in so doing delivering wherever possible savings or avoiding/managing costs as demand grows over the coming years.
- 1.11 A report was presented to Strategic Commissioning Board (SCB) on 16 December 2020 outlining a range of accommodation schemes needed over a period of 3-5 years to meet current and future need across all adult groups. The Adult Services Market Position statement that was approved at Cabinet on 27 September 2023 provides confirmation for the plans presented by Adult Services working with colleagues in Growth to increase capacity in the borough for the provision of accommodation with support for the range of adult service users enabling them to live in their own homes.
- 1.12 Work has progressed significantly in relation to defining the current and future housing requirement across Adult Services which is designed to meet the growing number of people requiring support to "Live Well at Home". Increasing the availability of high-quality accommodation with support will ensure that Tameside people can continue to live in Tameside, closer to family and local links rather than be placed due to lack of capacity or expertise in high-cost placements outside of the Borough.

2. PROPOSAL

- 2.1 The ambition of Adult Services is to seek modern accommodation, either existing property built within the last ten years or totally new build schemes that meet existing and future needs. No longer should the service compromise its ambition for the people it supports by accepting properties that are simply just "good enough" to provide a short-term solution to prevalent pressures rather than developing long term answers that provide "homes for life".
- 2.2 Working with the approval given at SCB in December 2020, and confirmed in the Market Position Statement in September 2023, discussions have been ongoing with a range of providers in relation to the accommodation needs of all adult groups. An opportunity has been identified working closely with Housing colleagues in Place Directorate to work with a range of Private Rented Sector Landlords for the exclusive use of a range of their privately rented stock across Tameside that fit the ambition of Adult Services.

- 2.3 The Council has worked successfully with Private Landlords on a range of supported housing schemes along with a larger a block of self-contained flats successfully meeting the needs of our service users.
- 2.4 The Private Sector Landlords have offered a number of properties to TMBC Adult Services for the provision of supported accommodation. There is potential for more of properties to be offered in the future as they become available, and they will need to meet our supported accommodation requirements. The proposal is for Service Users to become permanent tenants of the identified accommodation and the local authority to commission the support. All properties offered are within Tameside and all future offers will be within Tameside.
- 2.5 Due to the pace of the market this report has been produced before due diligence work has been completed. This will be completed with advice and guidance from legal and finance teams before any agreements are entered into.
- 2.6 The proposed offer is that TMBC enter into a Support/Management agreement behind the letting guaranteeing 100% rights of nomination. The terms of this are yet to be agreed, however the identified landlords are willing to work with a Registered Provider partner (RP), identified via the Tameside Registered Provider Partnership, though a triparty agreement which would be the preferred option from TMBC Adult Services and is in line with existing arrangements.
- 2.7 A tri-party agreement would be utilised so the landlord and the identified RP would undertake all the building repairs, maintenance and tenancy management arrangements, and TMBC provide the commissioning of the support. This option allows the housing and support to be separate agreements allowing TMBC more flexibility in commissioning the support contracts allowing for increased efficiencies.
- 2.8 The tri party agreement would set out the roles of each party, the Landlords would in the agreement retain ownership of the property and offers the direct tenancy to the Adult Services nominations. The RP acts and the landlord's managing agent and undertakes all the property and tenancy management responsibilities, with Adult Services acting as the commissioner with the responsibility for providing the support.
- 2.9 Through their participation in the Registered Provider Partnership, a group of registered providers have provisionally agreed to undertake the role of the supporting RP. A request for a partner will be sought via the partnership whereby TMBC will have right of nomination and responsibility for the commissioning of the care and support provision and all property related matters will be managed via the partner RP.
- 2.10 The rent will be covered via housing benefit using exempted rents so there will be no subsidy loss to the Council when a property is tenanted. The owner/landlord will retain all responsibility for all repairs and maintenance, property insurance etc. funded via the eligible service charges.
- 2.11 The Adult Services 'Homes for All' team have considered the properties for identified service users who are currently placed OOB and feel they could be appropriate for identified needs, subject to any works required.

3. SUPPORT OPTIONS

- 3.1 Given the potential complexity of the support provision, and the potential speed of delivery, it is proposed that TMBC provide the support via the TMBC Long Term Support Homemaker services. Provisional estimated costings have been drafted with information from Homemakers and Finance to give estimated costings for the identified individuals

- 3.2 Whilst soft market testing of exiting LD contractors it has been decided that given the complexity of the people to be resettled, the speed needed to access the private rented sector properties, and the mobilisation of staffing to support people, the best value option to progress the resettlement would, be to progress with the in-house provider for the people identified for this project.
- 3.3 The in-house service has a very strong record of supporting people with very complex needs, providing improved quality of life and opportunities, and moving people to requiring less support in reasonably sort time scales. For example, a young man returned to a new build property in the borough – had a staff team put in place with two people working with the individual at all times and given the work over the last two years this individual is now ready to move on to shared accommodation with the next goal of moving to their own tenancy.
- 3.4 It is also worth noting that the in house provider has taken on properties from our external provision where complexity of individuals and/or their families has forced our independent providers to hand properties back to the Council. Whilst this is rare having situations where properties are handed back is far from ideal, is costly and is not in the best interests of the individuals being supported perspectives.
- 3.5 At this stage no tendering route has been considered given the potential speed of delivery of the properties. If, however the Homemaker Services is unable to meet the demand, pen pictures of need could be shared through the GM LD framework Procurement Route for each individual property may be an appropriate solution.

4. IDENTIFICATION OF POTENTIAL SAVINGS

- 4.1 These properties have been identified as part of wider plans to build supported living capacity to support people to live in their own homes in the borough.
- 4.2 The additional properties are in line with the range of accommodation identified in the report approved in December 2020 and the Market Position Statement approved in September 2023 and would provide quality accommodation to meet the needs of up to six people currently placed in out of borough placements.
- 4.3 The properties will be for the housing of a younger adults currently supported in an out of borough or off contract placements. These packages are currently costing the Council £2.307m per annum. Once the individuals are settled after a period of transition, we are working towards the cost of support being reduced to achieve a saving of £0.533 per annum. The formulation of these figures can be found in annex A
- 4.4 The accommodation outlined is critical in contributing to the management of costs in relation to current and future demand.
- 4.5 The additional capacity supporting these individuals within the borough will require more staff – new jobs will therefore also be created locally, and individuals being supported will be spending their income in the local area.
- 4.6 The rent for the two bed single occupancy properties is estimated to be set at £275.00 per week, with an additional service charge estimated to be £63.91 per week. The three bed properties are estimated to have a rent of £323.00 per week with an estimated service charge of £63.91. In consultation with the Council's Property Management Team this level of rent, for the single person occupancy, whilst at the higher end, is not unusual where supported accommodation is being made available for people with complex needs. The increased rental cost is due to the private rented sector not being able to access grant funding to reduce capital investment leading the rental cost to be reflective of the full market value cost. Work will be undertaken with Estates colleagues to ensure best possible value is negotiated for the

authority. The added value to the authority of the increased cost is increase opportunity to access high quality property which is available for occupation in the immediate/ short term to meet our most acute demand.

- 4.7 The RP partner will be providing a housing management function at the proposed scheme and will retain the eligible service charges identified above. These charges are added to the core rent on the full rent schedule to fund the additional work required in recognition of the delivery housing for individuals with long term complex needs. Examples of these duties include increased tenancy support, housing repair and maintenance funding, additional insurances etc. Such charges will be in line with those currently levied on similar schemes.
- 4.8 The rent and service charges will be funded via Housing benefit as the proposed services qualify for exempted housing benefit rates.
- 4.9 The Landlords have explained they are requesting for an initial agreement with the Council for up to five years, but there will be available an option to terminate at the third year, giving a six month notice period.
- 4.10 The RP partner and Landlords will provide the building management and housing management function at the property so the rent and service charge will be directed in their entirety. The Council will hold 100% right of nomination to the properties and nomination will be agreed via Accommodation Options Group. The Council will be liable to cover the cost of any voids (i.e. empty units), however, this is considered to be a low risk because of the demand for accommodation and the properties being sourced to meet identified accommodation need. If the individuals identified are able to step down into less intensive support models the properties would be reallocated to other individuals in specialist accommodation need.

5. ALTERNATIVES CONSIDERED

- 5.1 The options considered were detailed in the SCB report of 16 December 2020 and Market Position Statement. Where approval was given to expand the portfolio of accommodation to meet existing and future needs of the population in Tameside.
- 5.2 Whilst plans for new build accommodation are in place and will be delivered in summer 2024 there is a pressing need to resettle people as soon as is practicably possible – certainly from a quality of life perspective for individuals in out of borough placements, but also in relation to delivering efficiency and savings for the Council
- 5.3 The option of seeking property via the Social Housing providers continues to be explored and all previous reports have been approved to work with RP partners to develop new housing stock for people with Adult Service needs. However, there is currently a lack of available housing to meet the immediate needs of the individuals we support. Due to this the need to explore costly out of area placements has increased meaning increased financial burden to the authority. This is further compounded by increasing care costs due to a lack of placements within the market leading to significant increases in care costs. The option to utilise the private rented sector will allow for Adult Services to meet its aspiration of supporting people to live well at home in their local communities, close to their support networks.

6. EQUALITIES

- 6.1 It is not anticipated that there are any negative equality and diversity issues with this proposal as identified in the EIA presented in the report to SCB on 16 December 2020 and in line with the Market Position Statement.

7. RISK MANAGEMENT

- 7.1 Any risks of poor service delivery will be mitigated by close monitoring of the service by close working relationships between officers representing the Council, Landlords and the RP partner to ensure that the agreements are being fully met and that subsequently people accessing the accommodation enjoy the agreed quality of accommodation. The triparty agreement will document the roles and responsibilities of each individual partner to agree expected standards and response times. The agreement will be monitored via open communication between the support provider and RP, with a bi-annual update meeting and annual property inspection.
- 7.2 There is a significant risk that not expanding the quantity of supported accommodation available for people with an eligible need to meet growing demand will mean that the Council would not fulfil its statutory and legal duty to provide support services in appropriate settings in a homely environment whilst meeting eligible needs.
- 7.3 There is a risk in the Council entering long term arrangements surrounding the properties. The justification for entering into longer term commitments on these properties is to reflect the ambition of Adult Services to source modern accommodation, either existing property built within the last ten years or totally new build schemes that meet existing and future needs alongside wherever possible offering "homes for life". Schemes such as this offer opportunities to deliver significant savings/cost avoidance and going forward operate at the optimum level of financial efficiency in supporting people with complex needs requiring 24-hour support in their own homes. The Council is clear that this very vulnerable group of people, who are increasing in numbers, will require support for the rest of their lives – the modern high-quality accommodation proposed will allow people to live in their own homes.
- 7.4 There is a financial risk to the Council in relation to covering any voids, however, this risk is mitigated by the demand for the accommodation as set out above. Adult services maintains a waiting list for individuals seeks supported accommodation via the Accommodation Options Group (AOG). When an individual is identified for a step down or change in provision AOG would ensure a nomination is presented to minimise any potential void period reducing the risk of unplanned expenditure to the Council.
- 7.5 These types of agreement also tend to give rise to a financial liability for the Council upon the happening of certain events e.g. damage to the property by an occupant where the cost of repair is not recoverable from the occupant. Such risks should be managed through close working with the providers and through support from Long Term Support.

8. CONCLUSION

- 8.1 As outlined in the Adult Services Housing and Accommodation with Support 2021-2026 report that was approved at SCB on 16 December 2020 - the demand for accommodation with support in Tameside is now outstripping supply. There are currently 55 people on the waiting list held in Adult Services by its Accommodation Options Group (AOG), and there are 16 people identified for transition in the next two years from Children's Services requiring 24 hour support who need to be planned for. In addition, the number of people with a learning disability or mental health needs living in costly out of borough places has increased recently, primarily due to the lack of supported accommodation capacity locally to meet need. There is a real concern that without increasing capacity such costly placements will very quickly become long term and the opportunity to return people to supported living in the borough at a reduced cost will be lost. The report outlined a range of accommodation schemes needed over the coming 3-5 years to meet current and future need across all adult groups.
- 8.2 The properties offered by the Private Sector Landlords are in line with the range of accommodation identified in the SCB report to meet this identified need.

- 8.3 The properties will be for the housing of a younger adults currently supported in an out of borough placement whose care package is currently costing the Council £2.307m per annum. Once the individuals are settled after a period of transition we are working towards the cost of support being reduce to realise a saving of £0.533m per annum.
- 8.4 In supporting the progression of this provisions the Council is making a strong commitment to meeting the needs of people with an eligible need by prioritising the continuation of the provision of 24 hour supported living services locally.

9. RECOMMENDATIONS

- 9.1 As set out on the front sheet.

Annex A – Estimated Savings Cost Calculations

| Property | People For Consideration | Current Cost Per Week (£) | Estimated Cost per week (£) | Staff Model | Saving or Cost Avoidance (£) |
|--------------------------------|---|---------------------------|-----------------------------|-----------------------------------|--|
| 3 bed house | SU 1 | £8,804 | £8,574 | 3:1 1 sleep and 1 waking night | £230 per week £11,960 per annum This would be a saving |
| 2 bed house | SU 2 | £9,016 | £8,574 | 3:1 1 sleep and 1 waking night | £442 per week £22,984 per annum This would be cost avoidance |
| 3 bed house | SU 3 | £8,490 | £3,900 | 1:1 1 waking night | £4,590 per week £238,680 per annum This would be a saving |
| 2 bed house | SU 4 | £10,244 | £6,100 | 2:1 1 waking night | £4,144 per week £215,488 per annum This would be a saving |
| 3 bed house | SU 5 | £3,910 | £3,900 | 1:1 1 Shared waking night | £10 per week £520 per annum This would be a saving |
| | SU 6 | £3,040 | £2,200 | 1:1 1 Shared waking night | £840 per week £43,680 per annum This would be a saving |
| Total Estimated Savings | £10,256 per week £0.533m per annum | | | | |