

REPORT OF THE CABINET MEMBER, ADULT SOCIAL CARE**SUPPORTED ACCOMMODATION HOUSING PROVIDER FRAMEWORK****Purpose of the Report**

1. To seek approval for a proposed Supported Accommodation Framework.
2. This is a Key Decision because it will result in expenditure of £1 million or over and it will have significant effects on two or more electoral divisions.

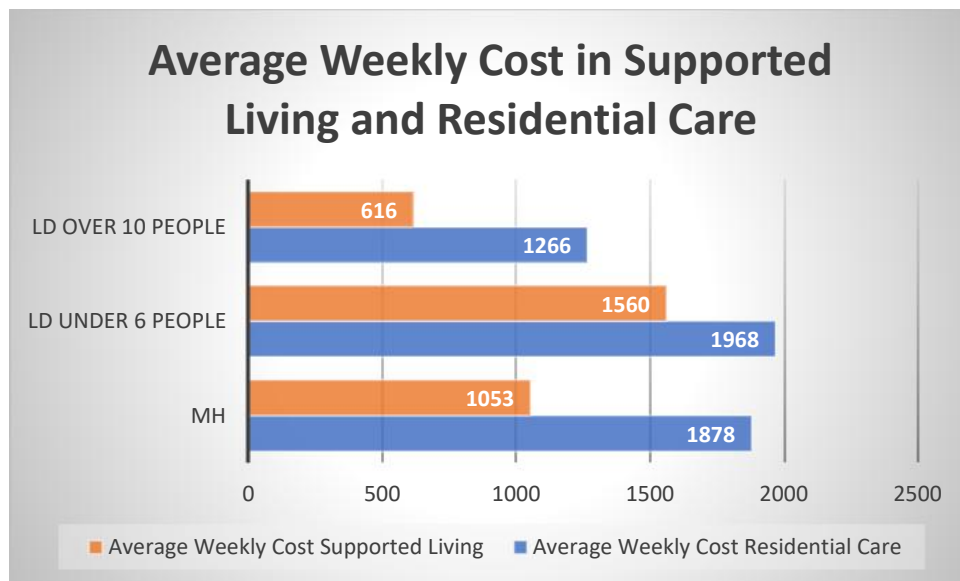
Information

3. The Care Act 2014 emphasises the role of housing in ensuring the delivery of effective health and social care support. Whilst Nottinghamshire County Council is not a housing authority, it recognises the crucial role that the right housing provision has in meeting an individual's care needs, both in practical terms and as one of the key determinants of health.
4. The Council must ensure that it can provide a level of 'Care and Support' that is proportionate to people's needs and makes the best use of the resources available. This involves the Council taking a 'whole life approach' to individuals, ensuring support is available when and where they need it, and working with a reablement focus to maximise independent living skills. The Nottinghamshire Adult Social Care vision is for every person in Nottinghamshire to live in the place they call home with the people and things that they love, in communities where they look out for one another, doing things that matter to them.

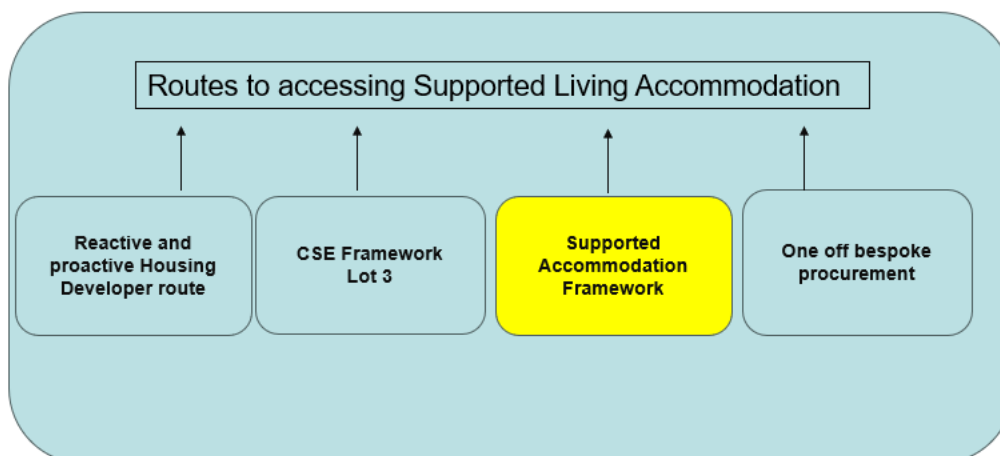
Current position

5. More adults (aged 18-64) who draw on long-term care and support in Nottinghamshire live in a supported living home (680) than in a residential care home (647). The strategic direction is to support more people who draw on care and support in their own homes, and to have less people in residential care settings. This supports independence.
6. Net spend on learning disability services in Nottinghamshire has increased by 36% between 2019 and 2024, slightly higher than the national average. It is recognised that the cost of residential care services (£1,968 per week/person) is considerably higher than the cost of supported living for people with a learning disability (between £616 and £1,560 week/person depending on the size of the property used and people's needs). The cost of residential care services for people with mental health support needs is on average £825 per week/person more expensive than supported living. People may currently be placed in

residential care settings without this being identified as the most appropriate setting due to a lack of supported housing.



7. Strategic needs analysis estimates that **523 additional units of accommodation** will be required within the next five years to meet the demand of young adults (working age adults) to live in supported living (including those preparing for adulthood). This figure does not include demand from people living with families and carers or those coming out of hospital settings with a primary care diagnosis of mental health. Additional information and breakdown of the demand can be found in **Appendix 1**.
8. A range of work is required to continue increasing supported accommodation:
 - i. Ongoing work with **developers** to access properties. These will be leased to housing providers who in turn work with approved care and support providers on the current and future Care, Support and Enablement (CSE) framework. This work has created a pipeline of 83 units to be delivered between Spring 2025 and early 2027/28. The current relationship is non-binding and based on sharing information about need. This approach has been successful but is a reactive approach.
 - ii. Identifying **Care and Support Enabling (CSE) providers** who already partner with housing providers via Lot 3 on the new CSE framework (Autumn 2025).
 - iii. **One-off procurement of specialist accommodation** e.g. individuals with high and complex support needs.
 - iv. This proposed **Supported Accommodation Provider Framework** which is based on extensive engagement with the developer and provider market between July and December 2024.



Alongside regularly updated Market Position Statement

9. A 'lease-based model' of supported housing is a feature of much of Nottinghamshire's existing supported housing provision. This involves three different providers or organisations having a role in the services: the care and support provider commissioned by the Council, the freehold owner of the accommodation property (often a housing developer) and the registered housing provider, which acts as landlord and leases the property from the owner.
10. The Government and Housing Regulator have recently published advice to local authorities and others around the lease-based model of supported housing, highlighting risks economically and ultimately to the continuity of homes for disabled people and the services commissioned by councils. The proposed Supported Accommodation Framework will seek to address and manage these risks more effectively.
11. Additional work is underway through Nottinghamshire County Council Property Services to identify available assets (land/buildings owned) and bring these to developers (and eventually housing providers) via established disposal routes. This will be further supported from 2026 onwards by working collaboratively with key housing providers to access *Homes England* Capital Funding via the new Affordable Homes Programme.
12. The above approaches will offer the Council a promising mix of routes to increase supported accommodation over the coming years to better meet Care Act 2014 duties.

Proposed Supported Housing Provider Framework

13. Extensive engagement has been undertaken with developers and providers, providing key themes for a Supported Accommodation Framework:
 - a) the requirement for a broad specification (providers)
 - b) flexible timescales for delivery of units (providers and developers)
 - c) timely decision making about offers by developers (providers and developers)
 - d) issuing of letters of comfort/support letters which constitute no binding commitments by either side (developers)
 - e) offer of nomination and voids agreements (providers).
14. The proposed Supported Accommodation Framework will be launched in Autumn 2025 and structured as a multi-provider framework. This will enable individual contracts to be entered

into (known as call-offs) under the Framework for bespoke individual and groups of developments to ensure that the needs of all people, especially those individuals who require bespoke physical environments and specially trained staff, can be commissioned in a compliant way. Further information regarding the framework usage and call off process can be found in **Appendix 2**.

15. Contracts and evaluation of bids via 'mini'-tenders will set standards for the specification, quality and condition of properties being offered. These standards will be informed by current practice in the supported housing sector and in the future through the potential introduction of supported housing licensing (currently under consultation at national level).
16. It is intended that registered landlord providers would bid to supply suitable accommodation via mini-tenders when specific schemes are required in different locations. Selection of scheme and property requirements will be informed by the analysis of need and demand, both geographically and by cohort.
17. It is envisaged that most registered landlord providers would be offering properties in development, to be available in 12 to 30 months' time. The Council will need to apply controls within contracts awarded through the Framework to provide assurance that properties will be delivered and within agreed timescales.
18. It is proposed to continue engagement with registered landlord providers in the local and regional market during Summer 2025, to inform the detail of how the Framework will operate. This will assist in optimising the number of providers joining the Framework, whilst promoting the quality of accommodation options supplied and meaningful competition. Quality criteria will be applied to the entry of providers onto the Framework.
19. The contractual basis for a Framework would require also entering into voids and nominations agreements with housing providers. This would ensure 100% nomination rights for the Council, while providing some financial reassurance to providers should a property remain vacant for a prolonged period. A typical agreement may include rental voids payments being made to the provider should a property be empty three months after the previous tenant has vacated. However, the Council would be able to negotiate terms depending on the use and type of properties.
20. There is therefore a potential cost to the Council arising from nominations and voids agreements, but also potential benefits, including incentivising providers to join the Framework, exclusive nomination rights and preventing providers from accepting placements from out of area.
21. Current cost of voids in supported living is £134,000 per year on average. There is a process in place to reduce voids. For each person moved from a residential setting to supported living a cost saving is made of an average £540 per week.
22. It is proposed that a framework is procured with an initial term of up to 4 years with potential to extend to up to a maximum term of 8 years (subject to the requirements of the new Procurement Regulations 2024), subject to approval by the Executive Director.

Other Options Considered

23. The option of doing nothing is not available due to the requirements under the Care Act 2014 to support people with eligible care needs who have been identified as requiring supported accommodation. The needs analysis requires new ways to increase supply.
24. Rely on housing options available through District and Borough Councils. Discussions have resulted in the understanding that due to the ongoing pressures on housing departments this is not a viable option.
25. Other councils may utilise approaches to sourcing accommodation from some registered providers which are more opportunistic and do not rely on formal procurement processes. However, Procurement advice is that this is not compliant with regulations.
26. One-off procurement exercises are not recommended as an option. These would be seen as unwieldy or inappropriate as the number of units the Council requires is too large to manage through this method within the resources available.

Reason/s for Recommendation/s

27. Needs analysis and benchmarking demonstrates that to meet Care Act 2014 duties, more supported living is required for people in Nottinghamshire.
28. There are insufficient alternatives that are open to the Council currently to identify the volume of units of accommodation required.

Statutory and Policy Implications

29. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

30. The current routes to increasing the number of supported housing accommodation through developers and the CSE Framework do not provide any further financial commitments from the Council as a result of these recommendations. Potential voids costs do arise as part of nominations agreements which would be arranged under the proposed Housing Provider Framework. However, these costs are considered to be modest and proportionate in increasing supply of supported accommodation, which typically offer more economic packages of support than residential care.
31. The cost of care and support is already identified within the Care, Support and Enablement budget; the care costs identified are indicative costs based on the level of care that is envisaged in each accommodation scheme. Where the Council has an arrangement for nominations there may be an expectation to pay for the shared care costs when a unit of accommodation becomes vacant. The void costs are again an indicative cost but for some schemes there may, as part of the contractual process, be a requirement to pay for the rental charges whilst a unit of accommodation is vacant.

32. Overall, the proposed Framework offers more cost-effective accommodation and services than residential care for adults with eligible needs under the Care Act 2014.
33. The Council is not proposing specific capital investment to support any housing procured through this framework.

Implications for Residents

34. More people who draw on care and support will be able to live more independently in the community. Support will also be provided to people who are carers of adults with health and social care needs.
35. The Framework will have a full Equality Impact Assessment undertaken as part of the tender documentation to ensure that the correct consideration is given to the duty as it may differ for different schemes.
36. Providers on the Framework delivering the Housing and the Care will be expected to contribute to the social, economic and environmental wellbeing and prosperity of Nottinghamshire. The tender process will specifically address this, and bidders will be required to demonstrate how they will add social value through this contract.

RECOMMENDATION/S

That Cabinet:

- 1) approves the development, tender and subsequent award to the successful bidders of a multi-provider Supported Accommodation Framework, including the ability to make voids and nominations agreements.
- 2) approves the subsequent award of call-off contracts to all those providers on the Supported Accommodation Framework on the terms set out in the Supported Accommodation Framework and as set out in **paragraphs 14 to 16** of this report.
- 3) approves the initial term of the Supported Accommodation Framework for up to 4 years with the potential to extend up to a maximum term of 8 years and delegates the decisions on whether to enact those extensions to the Executive Director for Adult Social Care.

Councillor Barry Answer
Cabinet Member, Adult Social Care

For any enquiries about this report please contact:

Anna Oliver
Group Manager, Strategic Commissioning
T: 0115 977 2535
E: anna.oliver@nottsc.gov.uk

Constitutional Comments (LW 6/6/25)

37. The recommendations fall within the remit of the Cabinet by virtue of its terms of reference.

Financial Comments (DLM 22/05/25)

38. In 2024/25 the total spend on Supported Accommodation (CSE) was £84.4m; an £8.5m overspend against the allocated budget for the year. If an additional 523 units are acquired this spend would increase by around £53m. The Adult Social Care department must ensure this additional spend is covered by diverting funds from alternative services or factored into new demand pressure workings.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

[Supported Accommodation and Care and Support Tenders Phase 2 January 2023](#)

Electoral Division(s) and Member(s) Affected

All.

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