

10 July 2019		ITEM: 12 Decision: 110513
Homeless Hostels, Housing First and Crisis Intervention		
Wards and communities affected: All	Key Decision: Key	
Report of: Councillor Barry Johnson – Portfolio Holder for Housing		
Accountable Assistant Director: Carol Hinvest- Assistant Director of Housing		
Accountable Director: Roger Harris – Corporate Director for Adults, Housing and Health		
This report is Public		

Executive Summary

Thurrock Council's Housing department needs to procure housing management and support services to prevent homelessness for Council residents and to support homeless households and young people in supported accommodation.

The Council currently commissions the following three individual contracts aimed at supporting homeless households, identifying rough sleepers and providing initial advice to prevent homelessness in the borough, all of which are due to expire on 31 March 2020:

1. Homeless Hostels and Crisis Intervention Service, comprising:
 - The provision of housing management and support functions for two homeless hostels within Thurrock and;
 - floating support services to council tenants at risk of facing eviction
2. Housing First Project, provides intensive support to people who are long term or recurrently homeless and have high ongoing support needs
3. Rough Sleepers Outreach Service, which identifies and provides interventions for rough sleepers bedded down in the borough.

This report requests permission to go out to tender for all of the services under one procurement process, with a view to a new contract start date of 1 April 2020.

Currently the service is provided by one provider. All of the contracts aim for similar outcomes and would attract providers in the same marketplace, therefore it is proposed that the contracts are brought together and procured as part of one single procurement process.

The combined cost of the contract(s) over a period of four years is approximately £2, 112.940.00 and therefore requires Cabinet approval to authorise the procurement process.

The appointed provider(s) will be expected to lease the three buildings (Charles Street, Clarence Road and Brooke House) from the Council under full repairing and insuring leases. The provider would charge the appropriate rent and service charge to the residents which will attract housing benefit subsidy.

1. Recommendation(s)

That Cabinet:

- 1.1 Approves the procurement of the Homeless Hostels, Housing First and Crisis Intervention Service.**
- 1.2 Agrees to delegate authority for award of the contract to the Corporate Director of Adults, Housing and Health in consultation with the Portfolio Holder for Housing.**

2. Introduction and Background

The three current contracts offer support to people in crisis, with varying support needs.

2.1 Thurrock Homeless Accommodation

The Council is required to meet its statutory duty to provide temporary accommodation to homeless individuals and households where a priority need is identified. At any time there are around 180 households in need of temporary accommodation within the borough, although this can fluctuate up or down.

In order to help meet this need the Council currently has use of two buildings in Grays, which provide a total of 47 rooms of varying size. There is one contract for the management of both buildings. The below table is a breakdown of the allocation of rooms used by Children services and Housing to accommodate homeless persons.

Charles Street	29 rooms – including 5 units for homeless 16 & 17 year olds
Clarence Road	18 rooms – including 4 units of move on accommodation for care leavers aged 17 to 25 years (provides a transitional period of supported accommodation whilst the young people move into independent living)
Total	47 rooms

The current management and support service is managed from both sites for households referred by the authority to the provider.

Both buildings provide accommodation to enable the council to meet its statutory duties to accommodate people who are homeless and in priority need pending ongoing work to relieve their homelessness and to support young people who are homeless or leaving care.

Following the completion of enquiries, clients owed a long term statutory duty remain whilst awaiting settled accommodation.

The majority of residents at this accommodation often require intensive housing management and support to enable them to maintain their affairs. The hostel support staff are trained workers, they hold regular key work sessions for each household and provide the necessary support to assist the clients to build the skills for independent living.

There has been an increase in homeless applicants requiring temporary accommodation and to address this three additional family size units have been procured at Clarence Road.

In addition, a building comprising of 10 rooms at Brooke House, Grays has been purchased using general fund capital and one to one receipts. In order to reinstate the building, a fund of £162,500.00 has been allocated with a split of 113,750.00 from general fund capital receipts and £48,750.00 from one to one receipts.

It is anticipated that 1 of the rooms would be designated for children's services to house leaving carers aged 18+.

2.2 Homeless 16 & 17 year olds

Young people under 18 and those who are leaving care are most often in need of extra support during the transitional period into adulthood.

Currently, 5 of the rooms in Charles Street are used specifically for 16 and 17 year old homeless young people (Southwark Judgement) and this will continue under the new contract.

Subject to availability, 16 and 17 year old in transition to becoming care leavers may also use this facility.

The Council has a statutory duty to accommodate these young people and due to their age and vulnerability, extra support is required to enable them to manage their accommodation and move into adulthood with appropriate training, education and employment.

2.3 Move on for care leavers

Currently 9 of the rooms in Clarence Road are used as move on accommodation for young people in care who are moving into independent living. It is envisaged that this arrangement will continue for leaving care residents.

Keeping care leavers within Thurrock improves their chances of good outcomes:

- by keeping them closer to their family and support networks;
- by giving them access to the local schools and colleges;
- by providing a natural progression from supported housing into independent living within the same borough;

The provision of move on rooms in Clarence Road also provides a financial benefit since the accommodation is much cheaper than other supported alternatives.

Savings of between £413 and £2,773 per young person per week can be achieved when compared with the cost of foster, supported or residential care - as outlined in chart below

Accommodation Type	Weekly Cost	Annual Cost	Annual Saving (per person compared with Charles Street / Clarence Road)	Potential Saving for 9 People
Clarence Road	£427	£22,204		
Foster Care	£840	£43,680	£21,476	£193,284
Supported Accommodation	£950	£49,400	£27,196	£244,764
Residential Care	£3200	£166,400	£144,196	£1,297,764

This could potentially save between £193k and £1.29m per year for the 9 young care leavers accommodated.

2.4. Crisis Intervention

The floating support service for money and debt advice to Council tenants was implemented in July 2013 in response to a need for specific support services for Thurrock Council tenants at risk of homelessness, often due to high levels of support needs including issues such as rent arrears, debt, anti-social behaviour, drug and alcohol issues, mental health and other vulnerabilities.

The scheme accepts referrals from Thurrock Council Rents and Welfare Team. The aim of the service is to prevent homelessness occurring by dealing with the most urgent issues that are contributing to the threat of eviction. The

service supports the introductory tenancy processes of closely monitoring new tenancies in the first year, when tenancy failures are at their most likely.

The service provides a minimum of 4,000 support hours per year (average 77 hours per week) and to support around 450 tenants per year.

The service will provide intense support to assist customer to reduce their debts and increase their income where possible.

In the last year 2018-19 there has been 314 cases of support for Council residents where if long terms support needed.

The service has generated an additional income of £7,765.53 with 42 payment plans arranged and 11 tenants struggling with new Universal Credit claims were assisted.

However in the longer term, it is expected that ongoing support will be provided to families to ensure that they are supported to:

- Provide training in debt management;
- Provide employment help via training and other support;
- Provide social interaction via groups and social activities
- Continue to sustain independent living in the local community

Referrals can be made through other agencies, Council staff or by residents themselves.

2.5. Housing First Project

Housing first is an approach to preventing persistent homelessness amongst people who are long term or recurrently homeless, with high ongoing support needs. It provides open ended support which is not conditional upon compliance with any treatment or behaviour modification.

The project differs from the traditional model of providing secure housing once a support programme has been followed. It is focused on providing 'housing first' whilst providing intensive support.

It provides support for residents with severe and/or enduring mental health problems, poor physical health, learning difficulties and educational needs; who are likely to be socially marginalised and often have a history of substance abuse and offending.

The project assists service users with a history of having unstable accommodation, failing to sustain tenancies or adhere to any pathways into housing.

It relies on the support of a range of partners to collectively support individuals. The Housing First coordinator plays a focal role working with each

client to engage with partners and services, adopting a flexible approach to offering ongoing support by the coordinator and partners.

The outcomes are measured in terms of tenancy sustainment, improvements in mental and physical health, management of drug and alcohol issues, budget management and wellbeing. The level of engagement with partner services already mentioned together with services such as A & E, GP, hospital admission and Police and Probation services.

A study commissioned by Crisis which looked at the financial costs of a single homeless person in the UK indicated that allowing homelessness to persist for 12 months costs around £20,128 per year. Housing First is working on the basis that it costs c £10,000 per annum per service user. We are aware of approximately £20,000 savings although it is difficult to quantify all savings, and we are working with Public Health to develop how we monitor and record potential savings.

The project has so far successfully supported 7 individuals who were homeless or in one case about to be made homeless. They had faced persistent barriers to accessing housing, some of which were caused by a variety of health conditions and addictions resulting in complex needs.

There are currently 5 clients being supported under the scheme, 4 of which have Council properties. The remaining client has an introductory a Housing Association.

3. Issues, Options and Analysis of Options

3.1 Thurrock Supported Accommodation

3.1.1. Family and adult accommodation

The Council has a statutory duty to provide temporary accommodation to certain homeless people. Without the current accommodation the Council would increase its use of bed and breakfast (B & B) accommodation to meet this duty; this represents an increased financial cost to the General Fund which is not subsidised through Housing Benefit.

B & B is universally recognised as inadequate accommodation and is strongly discouraged from being used, having been heavily criticised by the Courts and the Local Government Ombudsman. It provides no cooking or laundry facilities and there is no control over how the accommodation is managed or who is living there.

The Council has signed up to not using B & B for 16 & 17 year olds, or for households with children except in an emergency for a very short period of time.

Thurrock supported accommodation provides superior accommodation to B & B but due to the nature and vulnerability of customers living there, an intensive housing management and support service is required, since many of the customers are vulnerable and have a history of not sustaining tenancies, jobs or training, and relationships with family members/friends who have evicted them.

Thurrock supported accommodation is in Grays; close to public transport links and support agencies such as Grays Hall and other health care professionals which enable clients to remain linked in with support agencies and networks.

It provides cooking and laundry facilities along with communal areas for training and support programmes. The current providers offer residents programmes such as IT skills, child care, cooking and budgeting skills.

3.1.2. Homeless 16 and 17 year olds – 5 rooms

The Council has a duty to accommodate homeless 16 and 17 year olds, who become looked after children. By providing specific supported accommodation within Charles Street, costly foster care, supported or residential care is avoided.

Specific support targeted at this age group is provided and young people are encouraged into training, education or employment.

3.1.3 Young People leaving care – 9 rooms

Looked after children, reaching 17, may be ready to move into independent living. However some may require a further period of transitional support and the move on accommodation at Clarence Road enables young people to move out of care into supported living for a period of time until they are ready for fully independent living.

3.2 Crisis Intervention

The service aims to work with households in crisis to initially prevent homelessness from occurring and also to provide ongoing support to enable them to reduce debts, increase income and address the issues that have led to their current situation, thereby preventing the risk of homelessness from reoccurring.

Examples of the type of work carried out by the service:

- Assisting tenants in applying for discretionary housing payments;
- Assisting tenants in applying for unclaimed benefits which the tenant is entitled to;
- Contacting debtors to arrange manageable payment plans;
- Referring tenants to supporting agencies such as drug and alcohol support services.

Preventing tenants from being evicted and helping them to sustain their tenancies provides both economic and social benefits.

3.3 Procurement Process

It is proposed that the three current contracts are brought together and procured as one contract with a single provider. Currently one provider delivers all three contracts which has enabled the Council to maintain a seamless service, build cohesive partnership and strengthen expertise to meet the needs of residents who are often very vulnerable with complex needs.

4. Reasons for Recommendation

4.1 The Council has a statutory duty to provide temporary accommodation to certain groups of homeless people;

The Council has committed to not placing homeless 16 & 17 year olds or families with children into bed & breakfast accommodation;

The Council has committed to ensuring that where possible temporary accommodation is provided within the borough;

The Council has an ongoing duty to assist young care leavers under 25 years old;

The Council has emphasised the need for homeless prevention, which provides financial savings and better outcomes for residents.

A single contract with one provider would deliver economies of scale and allow a streamlined approach to contract management, which will likely have a positive effect on service delivery.

5. Consultation (including Overview and Scrutiny, if applicable)

5.1 Housing and Children's Overview and Scrutiny Committee held on 18 June 2019.

6. Impact on corporate policies, priorities, performance and community impact

6.1 The service will contribute to the delivery of the Council's vision and priorities for **People**.

6.2 In addition, the service will support the goals of the Health and Wellbeing Strategy, in particular:

- A4. Fewer children and adults in poverty
- C1. Give parents the support they need

- C2. Improve Children’s emotional health and well being
- D2. When services are required, they are organised around the individual

7. Implications

7.1 Financial

Implications verified by: **Jonathan Wilson**
Assistant Director Finance

The provision of hostel accommodation will result in savings on the cost of nightly one off room hire and bed and breakfast accommodation that the homeless service currently utilise. The associated management costs of the additional accommodation are factored into the housing general fund budget for 2019/20.

7.2 Legal

Implications verified by: **Martin Hall**
Housing Solicitor/Team Leader

Courage Emovon
Principal Lawyer/Team Leader Contracts

The provision of temporary accommodation is a legal requirement and is detailed within the Housing Act 1996 as amended. The authority is required to have such accommodation which is suitable to accommodate households where a duty is triggered.

The Procurement of the proposed contract will require compliance with the Council’s Contract Procedure rules and the Public Contract Regulations 2015.

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
Strategic Lead Communities and Libraries

As outlined within this report the provision of this form of temporary accommodation is required to meet the needs of residents in order to meet the legal requirements. The procurement of the management and support contract will enable the authority to fulfil its duties to a range of people including those with protected characteristics. The allocation of this type of provision would be subject to detailed assessments informed through a community equality impact assessment to identify and address any issues affecting those within the protected characteristics.

7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

N/A

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

None

9. **Appendices to the report**

None

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