



CABINET – 22 OCTOBER 2019

**DEVELOPMENT OF A NEW MODEL FOR HOMELESSNESS
PREVENTION AND HOUSING-RELATED SUPPORT**

REPORT OF THE DIRECTOR OF PUBLIC HEALTH

PART A

Purpose of the Report

1. The purpose of this report is to advise the Cabinet of the outcome of the consultation on a proposed new model for homelessness prevention and housing-related support and to set out the recommended option for similar support which it is intended would be put in place from April 2020.

Recommendations

2. It is recommended that:
 - a) An external provider is commissioned to deliver a combination of both hostel-based accommodation and outreach housing-related support for people at risk of, or experiencing, homelessness in Leicestershire, which would:
 - i. reflect the alternative proposal put forward as part of the consultation on changes to the current housing-related support service,
 - ii. deliver hostel-based accommodation which matches the current level of provision (30 beds),
 - iii. provide more than 3 full-time equivalent specialist housing-related support workers,
 - iv. Ensure cross-Leicestershire outreach housing-related support and equality of access;
 - b) The Director of Public Health is authorised
 - i. to agree the detailed specification of the model for homelessness prevention and housing-related support;
 - ii. in consultation with the Director of Corporate Resources, to procure services for homelessness prevention and housing-related support in line with the agreed option at (a) above.

Reasons for Recommendation

3. The consultation indicated mixed support for the initial proposal and the alternative would maintain both the residential and out-reaching housing-related support service provided by an external provider as well as a number of other benefits including sustaining specialist expertise, bringing in added value with extra complementary services, and giving opportunities to build on existing partnership work.

Timetable for Decisions (including Scrutiny)

4. The Health Overview and Scrutiny Committee considered the consultation proposals on 5 June 2019 (prior to the counterproposal being received) and its comments are given in Part B of this report.
5. Subject to negotiations and tender, a new model of service delivery is expected to be in place for 1st April 2020.

Policy Framework and Previous Decisions

6. District councils have responsibility, under the Homelessness Act 2002 and latterly the Homelessness Reduction Act (HRA) 2017, to prevent and relieve homelessness. The HRA introduced measures whereby all eligible people who are found to be homeless or threatened with homelessness are entitled to more tailored assessment of support needs from the housing authority (the district council), regardless of priority need, intentionality, and local connection.
7. The County Council has a statutory duty to take appropriate steps to improve the health of people living in Leicestershire, including the provision of health improvement information and advice and support services aimed at preventing illness.
8. In June 2016, the Cabinet approved the Early Help and Prevention Strategy. The proposed new model for homelessness and housing support is within the scope of this Strategy and will form part of the prevention offer in Leicestershire.
9. In April 2018 commissioning responsibility for the service was transferred from the Department for Adults and Communities to Public Health, along with a revised Medium Term Financial Strategy (MTFS) savings target of £200,000 to be achieved by April 2020.
10. In November 2018, the Cabinet agreed to consult on a new model for the Homelessness and Housing Support Service for Leicestershire.

Resource Implications

11. The new model for homelessness and housing-related support is expected to achieve savings of £200,000 per annum which would meet the MTFS savings target. The total remaining budget for this service will be £300,000 per annum.
12. Depending on the outcomes of the commissioning process, as part of the service remodel it is possible that TUPE (Transfer of Undertakings (Protection of Employment) Regulations 1981) will apply.
 - a) The purpose of TUPE is to protect employment rights when employees transfer from one business to another,
 - b) If an alternative provider to the current provider successfully bids to deliver the service, transfer of TUPE arrangements will need to be part of resourcing considerations.
 - c) This is not expected to have any financial implications for the Council.
13. The Director of Corporate Resources and the Director of Law and Governance have been consulted on this report.

Circulation under the Local Issues Alert Procedure

14. This report will be circulated to all Members of the County Council.

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PART B

Background

15. The County Council has a duty to protect and improve the health of the public. Nearly all service users of the existing housing-related support are cited to have health and social issues which put them at increased risk of repeated homelessness and difficulties maintaining their tenancies.
16. Being homeless has significant negative impacts on both physical and mental health. The average age of death for those who are rough sleeping or resident in homeless accommodation is 47 for men and 43 for women, therefore, the health of those at risk of homelessness or experiencing homelessness is a priority area for public health.
17. In 2014, 80% of homeless people in England reported that they had mental health disorders, with 45% having been diagnosed with a mental health condition.
18. The most prevalent health problems among homeless individuals are substance misuse (62.5%), and 42.6% report having both substance misuse and mental health issues. Given that these problems are causally linked with homelessness, they add significantly more costs to homelessness due to the need for health and social care support.

Existing Service Provision

19. The County Council currently commissions housing-related support to vulnerable people who are homeless or at risk of becoming homeless. This service is currently provided by Nottingham Community Housing Association (NCHA).
20. There are two components to the current service:-
 - a) An in-reach support service into the Falcon Centre Homeless Hostel in Loughborough which NCHA sub-contracts to Falcon Support Services within the Falcon Centre. The hostel is a 30-bed unit based in Loughborough for homeless single people and couples over the age of 18. The current cost of this element of the contract is £180,000 per year. It was proposed in the consultation that the Falcon Centre in-reach element would remain unchanged.
 - b) An outreach floating support service which is delivered by both NCHA and The Bridge. The current cost of this element is £320,000. This includes a combination of telephone support, group work, specific issue surgeries, e.g. benefits advice, signposting and one-to-one contact where necessary. This element of support consists of 10.6 full time equivalent (FTE) staff.

21. The current service aims to enable service users to develop or maintain their independence within the community. It does this by providing 'short term' accommodation and a floating support service, to both prevent homelessness and to support and enable homeless people to move back into secure appropriate accommodation.

Consultation Proposal

22. The Council consulted on a model which aimed to realise savings of £200,000 through decommissioning the current floating outreach service, and replacing it with a redesigned community outreach service (through adding capacity and skills to the existing in-house Local Area Coordination Service) and focussing support on contributory health and social issues such as mental health, substance misuse, and domestic abuse. The model proposed that there would be no changes to the in-reach hostel support.

Consultation Engagement and Key Findings

23. The views of professional and partner stakeholders, as well as current and previous service users and support workers, was captured through:
- a) Discussions at consultation events (26 attendees from current providers, partner organisations, services users and support workers),
 - b) Responses to an online questionnaire (46 forms received) and
 - c) Receipt of formal letters (from 5 current service users).
24. Analysis of questionnaire responses highlighted a difference of opinion about proposals between those responding as "interested members of the public" (broadly supportive of proposals and change in service model) and those describing themselves as currently providing, supporting or receiving housing-related support (strongly opposed to proposals and changes to the service model).
25. Although there was explicit recognition that health and social issues "are often the catalysts for homelessness", it was stated by the current consortium of service providers that these are already being assessed holistically (alongside housing need) by the current housing-related support provider and that "99%" of service users are reported to have contributory health and social issues.

Health Overview and Scrutiny Committee

26. On 5th June 2019 the Committee considered a report from the Director of Public Health which explained the proposals to develop a new model for homelessness and housing support which were being consulted on.
27. Members were provided with written representations from Oadby and Wigston Borough Council which raised concerns regarding the proposed discontinuing of the existing 'Housing Matters' services and the consequent impact on local residents. It was noted that the Borough Council would submit further

representations as part of the consultation process and the Director would give its concerns full consideration.

28. It was noted that the proposed new model would focus on working with individuals with substance misuse problems and mental health issues rather than the more general housing support service which was currently provided. The Director acknowledged that this might affect district councils, an inadvertent consequence.
29. The Committee noted the advantages of bringing the service in-house including that the Public Health Department had a network of organisations that could be used to facilitate the work, and that the model would build on the capability of First Contact Plus and Local Area Co-ordinators. Services might also be more spread around the County.
30. The Committee recognised that the proposal represented a reduction in service, made necessary by the financial situation faced by the Council and considered the proposal was the best possible in the circumstances.

Consultation Counterproposal

31. Consultees were asked for suggestions as to “whether there are any other ways that the service could be delivered better within the resources available”.
32. One suggestion meets the full brief. This was proposed by 4 separate questionnaire respondents providing their organisation's official response to the consultation, 3 of which are currently providers of homelessness and/or housing-related support services in Leicestershire. The option is to provide a combination of both hostel based accommodation and outreach housing-related support. The proposal:
 - a) was within the financial resources available,
 - b) suggests that additional specialist housing-related support workers could be retained,
 - c) aims to strategically align with other voluntary sector, commissioned and in-house support services,
 - d) proposes enhancing countywide telephone support,
 - e) cites the added value for service users of specialist wraparound services, available through external funding,
 - f) makes clear the pathway of housing-related support (from hostel to independent living).
33. In determining the recommendations made in Part A, the Director of Public Health considers that this counter-proposal has a number of advantages and addresses some of the concerns around the existing current service, namely -
 - a) The advantage of linking to additional services that add significant value to the proposal including a family based homelessness support service and access to a solicitor who provides legal advice for complex tenancy disputes and other issues.

- b) It will function across the whole of Leicestershire and have peripatetic officers who can reach rural and isolated people at risk of homelessness.
- c) It recognises that the majority of service users have wider health issues such as mental health and substance mis-use and suggests a clear pathway and wrap-around service that links into other support services such as Local Area Coordination, First Contact Plus, and Turning Point.
- d) Externally commissioning the service removes the burden of potential TUPE liability from the County Council but can achieve the targeted MTFs savings.

Financial Appraisal

- 34. The costs of maintaining the current outreach support service until the contract expires (September 2020 at the latest), pursuing the County Council proposal or, alternatively pursuing the counterproposal have been appraised through a full business case.
- 35. It is recommended that an external provider is commissioned to deliver a combination of homeless accommodation and an outreach homelessness prevention service, because:
 - a) despite it being necessary to allocate business as usual resources at a total cost of £32,000 for a period of 6 months, there is no initial investment nor are there any capital considerations,
 - b) it is expected to deliver the best solution to support the delivery of the service objectives,
 - c) implementation does not require additional resources to be secured.
- 36. This also has advantages over the in-house proposal in that the hostel accommodation would not need re-commissioning and avoids the need for the Council to cover the redundancy costs for approximately 7 FTE members of housing-related support staff.

Equality and Human Rights Implications

- 37. An Equality and Human Rights Implications Assessment (EHRIA) screening assessment has previously been carried out on the County Council proposal. This concluded that although the proposals are likely to have an impact on individuals or groups associated with several of the 'protected characteristics', the direction and size of the impact was unknown.
- 38. An EHRIA screening assessment has been carried out on the Consultation Counterproposal. This concluded that although the proposal is likely to have an impact on the level of service that can be provided (due to a change in the total funding envelope), individuals or groups receiving the service will not be differentially affected in comparison to the existing service. Therefore, the likely EHRIA of the Consultation Counterproposal is assessed as neutral and a full impact assessment is therefore not required.

Background Papers

Report to the Cabinet on 17 June 2016 - Early Help and Prevention Review and Strategy

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=4603&Ver=4>

Report to the Cabinet on 23 November 2018- Development of a new model for homelessness and housing support

<https://bit.ly/2B2Ciwa>

Report to the Health Overview and Scrutiny Committee on 5 June 2019- Development of a new model for homelessness and housing support

<http://cexmodgov1/ieListDocuments.aspx?CId=1045&MId=5678>

Appendix

Consultation document: Have Your Say on Proposals for Support to Prevent Homelessness, support information