



**ADULTS AND COMMUNITIES OVERVIEW AND SCRUTINY  
COMMITTEE – 9 OCTOBER 2014**

**STRATEGIC REVIEW OF PREVENTATIVE SERVICES – SUPPORT FOR  
HOMELESS PEOPLE - CALL-IN OF THE CABINET DECISION**

**SUPPLEMENTARY REPORT OF THE CHIEF EXECUTIVE AND  
DIRECTOR OF ADULTS AND COMMUNITIES**

**Purpose**

1. The purpose of this report is to draw to the attention of the Committee the receipt of a call-in to part of the decision of the Cabinet on the Strategic Review of Preventative Services, specifically in relation to support for homeless persons.

**Previous Consideration of the Issue**

**Adults and Communities Overview and Scrutiny Committee**

2. The Cabinet report on preventative services which covers the issue of support for homeless people was considered by this Committee at its meeting on 17<sup>th</sup> September 2014. A copy of that report together with the supplementary pack setting out the outcome of consultation and appending the Equality and Human Rights Impact Assessments (EHRIA's) have already been circulated to members with the Agenda Pack (**Marked '1'**).
3. The Adults and Communities Overview and Scrutiny Committee was advised at the meeting that since the Cabinet papers had been published additional representations had been received. These were made available to the Committee.
4. The views of the Committee on this matter were, in line with the usual practice, drawn to the attention of the Cabinet.

**Consideration by the Cabinet**

5. The Cabinet met on 19<sup>th</sup> September 2014 and had before it all the documents submitted to the Adults and Communities Scrutiny Committee together with the views expressed at the meeting. In addition, the submissions that were received following the Scrutiny Committee meeting were also brought to the attention of the Cabinet.

**(Copies of the submissions received at the Scrutiny Committee and those received subsequently were drawn to the attention of the Cabinet and are attached to the agenda pack for this meeting, marked '2'.)**

6. The decision of the Cabinet and its reasons are set out below (*in italics*):-

Decision

- a) *The outcome of the strategic review of the Adults and Communities Department's secondary prevention services, including results of formal public consultation and the risks highlighted, be noted;*
- b) *That the Director of Adults and Communities be authorised to implement the proposed prevention offer as set out in the report;*
- c) *That subject to (b) above, the procurement process for the proposed secondary prevention offer commence as soon as is practicable with a view to new service delivery starting no later than 1 October 2015.*

Reasons for the Decision

1. *A strategic review of the Adults and Communities' secondary prevention services has been undertaken by the Adults and Communities Department. The review encompassed a wide range of services, including a large number of housing related support and voluntary sector contracts.*
2. *As part of the strategic review and service modelling process, a formal public consultation exercise was undertaken to capture the views of existing providers, customers and carers, stakeholders and the general public.*
3. *The new commissioning proposals for the Adults and Communities' secondary prevention offer have been developed in line with the vision of a unified prevention offer for Leicestershire through the Better Care Fund (BCF). They take into account services and support offered by a range of partners and have been designed to complement and be complemented by the proposed Local Area Coordination (LAC) scheme for Leicestershire.*
4. *The focus of the proposed model is secondary prevention - to reduce and delay the need for social care and support. It will result in positive outcomes for customers and carers and represents cost-effective commissioning that takes into account the savings required against prevention services in the Council's Medium Term Financial Strategy (MTFS) published in February 2014.*

**Response to the grounds for call-in**

7. The grounds for the call-in are that the Cabinet did not address the following:-

**A: Evidence submitted to cabinet by homeless charities that stated that even the increased offer of £200,000 for accommodation based support would require the closure of some services.**

8. The Cabinet had before it a letter from the Chief Executive of Shaw Healthcare Trust, a for profit organisation that operates Kennedy House which had raised this specific issue referred to in the call-in notice. The Cabinet also had copies of a letter from Peter Davey, Chief Officer of 'The Bridge' which drew attention to the impact of the proposals on their service. Additionally the comments of the Committee and comments received from the Liberal Democrat Group made specific reference to the potential impact of the proposed reduction in funding.

9. The Leader of the Council in introducing the paper drew the attention of the Cabinet to the representations received, the Equality and Human Rights Impact Assessments and the views of the Adults and Communities Overview and Scrutiny Committee.
10. The Cabinet and Scrutiny Committee were advised that the review of preventative services had been the subject of extensive consultation. For the benefit of members attached at Appendix A to this report is a summary of the consultation and engagement undertaken specifically in relation to the issue of homelessness support.
11. In presenting the report to the Cabinet, officers and the Lead Member noted and recognised the impact the proposals would have specifically in relation to funding reductions for vulnerable people. The Cabinet was advised that in response to the formal consultation exercise and other feedback received as part of the prevention review, proposals for support for those at risk of becoming homeless or those who were already experiencing homelessness were revised. This reflected recognition of the importance of provision of an accommodation-element of support as part of the service offer for homelessness and the difficulty in providing this element of support as well as floating support within the original resource allocation. Accordingly, the level of proposed reinvestment was increased from £300,000 to £500,000 and the decision taken to propose the commissioning of both a generic countywide floating outreach support service as well as supported accommodation. The increased re-investment in homelessness services also recognises the risk related to this element of the review (see risk log attached to Cabinet report, 19<sup>th</sup> September 2014, Appendix B).
12. Having established the principles for the commissioning of future support services for homelessness, (as endorsed by feedback and consultation), it was recognised that there would be a need for further engagement to establish some of the key details relating to these proposed services, including:
  - The feasibility of commissioning separate services (floating support and accommodation-based support) or to have one contract to cover both elements;
  - Availability of appropriate accommodation in county;
  - Consider optimum number of units (expect between 25-30 units);
  - Confirm length of stay/intervention (expect 6-9 month average maximum)
  - Further risk analysis and views of stakeholders.
13. Further engagement will also address the issue relating to referral routes. There is a high proportion (64%) of self referrals received by a particular service. Although this is in keeping with current contractual arrangements, it is important to ensure demand is managed as effectively as possible in light of the revised financial envelope.
14. An alternative approach to be considered through further engagement with District and Borough colleagues (contained within more recent contracts) is to implement 'quick access' to accommodation support rather than 'direct access'. This means that individuals will need to approach their local housing authority (i.e. district and borough housing departments) in order to get referred rather than directly accessing the service. Not only will this ensure that support is focussing on those

with a connection to Leicestershire County, it will also ensure that housing authorities are the first point of contact where appropriate advice, information, and establishment of eligibility can be determined.

15. The need for this further engagement was set out in the report to the Cabinet (see paragraphs 104 and 105). The desire is to ensure that a viable model is developed within a revised financial envelope and work will take place with key partners, including providers, to ensure that the best possible service can be delivered.
16. The proposed further engagement, which was due to commence on 1<sup>st</sup> October 2014, was to include a workshop with existing providers, 1:1 meetings with existing providers and discussions with key stakeholders including the District and Borough Councils.
17. Providers and stakeholders will be given the opportunity to comment on draft service specifications as the new service(s) are developed. It is hoped that this engagement activity can be progressed at the earliest opportunity, subject to the outcome of the current call-in. This will ensure adequate transition planning, give providers a much longer notice period than is normally required, and ensure market expertise is fully engaged in the future design of services.
18. In order to provide further clarity, the Council does not provide grants to the providers in question. Rather, the Council has formal contractual agreements that are due to come to an end no later than 30<sup>th</sup> September 2015. Regardless of review outcomes it will be necessary to undertake a formal procurement exercise as specified by contract procedure rules.

**B: The proposals put forward by the opposition for the split between floating and residential to be reconsidered; that accommodation based support is more essential and for it to be given a larger share of the funding.**

19. This issue was specifically raised in the letter from the Chief Executive of Shaw Healthcare and in the submission received from the Liberal Democrat Group and, as for issue A, above, these were drawn to the attention of the Cabinet.
20. During the consultation period a consistent message was sent out that commissioning of future provision for homelessness would be focused on a generic countywide floating outreach support service. In addition, there may be an element of accommodation-based support. The idea of the possible need for accommodation support came from early consultation with providers (during provider workshops in January-March 2014). The opinion of service users, providers, stakeholders and the general public were sought on these ideas during the formal consultation exercise to further inform proposals.
21. Feedback from the consultation period firmly endorsed the idea of commissioning both a generic countywide floating outreach support service as well as supported accommodation:

- Respondents consistently identified that the needs of those homeless people who require floating support are distinct from those that require accommodation-based support.
- Contract monitoring data for existing accommodation-based homeless support shows a need for this type of service locally.
- Consultation with providers and stakeholders revealed that whilst current accommodation-based support is valued there is potential to reduce the length of intervention (length of stay) and to reconsider referral routes.

22. Revised proposals for homelessness were focused on a reinvestment of £300,000 for the floating support element of support and £200,000 on the accommodation element. The initial proposed figures were determined in a number of ways which are set out below but in recognition that there would need to be further engagement to clarify appropriate levels of funding for these two elements of service provision.

- a) The Prevention Review is based on the idea of commissioning secondary prevention. This is based on the premise that the model should, as far as possible, be determined and led by need and the opportunity to intervene. It should promote links to local services and should also reflect expected future demand for support services. The secondary prevention offer is concerned with maximising people's own assets, support networks and community support to reduce demand for commissioned services. It is desirable that any new commissioning is aligned as closely as possible to the wider prevention offer which is based on the concept of secondary prevention. The accommodation element is seen to be used mainly by those who have already become homeless (e.g. they have lost their own accommodation or access to a place to live) and who may be considered to already be at crisis point whereas the floating support element will work more closely with those who are at risk of homelessness (e.g. at risk of losing a tenancy). The floating support element is therefore considered to be more closely aligned to the secondary prevention model and therefore more of the budget has been allocated to this element of support.
- b) The allocation of a greater share of the budget for homelessness to floating support is endorsed by published evidence supporting a greater emphasis on preventative services:
  - HM Government (2011) - *Vision to end rough sleeping: No Second Night Out nationwide* : Government recognises that homelessness is about more than just providing housing. Homeless people often have complex underlying problems that can be worsened by living on the streets or in insecure accommodation.
  - HM Government (2012) - *Making every contact count: A joint approach to preventing homelessness* : Emphasis on thinking about how services can be managed in a way that prevents all households, regardless of whether they are families, couples, or single people, from reaching a crisis point where they are faced with homelessness.
- c) Benchmarking exercises and consideration of current spend per unit on accommodation-based support also informed the proposed allocation of

£200,000 for the supported accommodation element. For example, the Department has specified a desire to reinvest in between 25-30 units of supported accommodation for homelessness and currently has a contract with a voluntary sector organisation for a 28 unit supported accommodation service which, in the current financial year, costs £181,800.00 per annum. Contract monitoring data shows that this scheme is achieving good outcomes for customers. A reinvestment of £200,000 is therefore considered a reasonable amount for 25-30 units. As the accommodation element of support represents a relatively fixed cost, the remaining reinvestment for homelessness (£300,000) will be made available to the floating support element and preventing homelessness in the first instance. This reinvestment reflects the current financial situation and constraints on funding for preventative services (including non-homelessness support services) as imposed by the MTFs.

- d) It is recognised that statutory housing responsibilities sit with the local housing authorities (the Borough and District Councils). Therefore, commissioning accommodation-based support represents a non-statutory function for the County Council, nevertheless, many of those who might use the proposed services would not be eligible for statutory homelessness services. Thus, it is recognised providing some element of accommodation-based support to those who require it contributes to the wider system through which those who have become homeless can find accommodation. This reflects comments made by stakeholders, such as the housing officers at the Borough and District Councils. Engagement with the Borough and District Councils around the proposals has already taken place and they have confirmed willingness to play a central role in future engagement and service design.
- e) The Department is committed to ensuring the effectiveness of referral routes and optimising length of stay in any new accommodation-based support provision for homelessness. This has been supported by feedback from providers and stakeholders and the Department is therefore confident that even with a reduced investment, capacity can be maximised in this way and that the Department can continue to contribute to the wider housing system (including statutory responsibilities of the local housing authorities).

### **Options available to the Committee**

23. The effect of the call-in has meant that no action has been taken to implement this part of the decision. The options before the Committee and implications are set out in the table below:-

<b>A</b>	The Committee decides <u>not</u> to refer the matter back to the Cabinet.	The decision of the Cabinet will take effect on the date of the Overview and Scrutiny meeting.
<b>B.</b>	The Committee decides to refer the matter to the Executive. The Committee will be required to set out, in writing, its concerns.	The Cabinet must meet within 10 working days to reconsider the decision – it may amend the decision or decide to proceed as planned.  The Cabinet decision will be final.
<b>C.</b>	The Committee decides to refer	The Chief Executive shall consult the

	the matter to the County Council. The Committee will be required to set out, in writing, its concerns.	<p>Leader to determine if the nature of the called-in decision requires an extraordinary meeting of the Council or whether the next ordinary meeting of the Council will be appropriate.</p> <p>The report to the Council will include the comments of the Cabinet on the matter.</p>
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### **Options if the matter is referred to the County Council.**

24. Should the Committee decide to refer the matter to the County Council it will have two options
- i) Note the report but decide not to refer the matter back to the Cabinet. The decision will then take effect immediately.
  - ii) Decide to refer the matter to the Cabinet and ask it to reconsider.
25. If the Council decides to refer the matter to the Cabinet then the Cabinet must meet within 10 working days to reconsider its decision – it may amend the decision or decide to proceed as planned. That decision of the Cabinet is final and cannot be reviewed.

### **Conclusions/Recommendations**

26. The Committee is asked to determine, having regard to the information now provided, what action, if any it proposes to take in response to the call-in.

### **Officers to contact**

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### **Background Papers**

- Reports to the Cabinet and Adults and Communities Overview and Scrutiny Committee (See agenda pack previously circulated)
- Consultation and Communication log (See Appendix A)

### **Relevant Impact Assessments**

Cabinet report (See Agenda Pack previously circulated)

### **List of Appendices**

Appendix A – Engagement, consultation and communications

## Appendix A

### *Engagement*

A formal consultation exercise for the prevention review was undertaken between the 14 April 2014 and 13 July 2014. In addition, there had been extensive engagement with providers during January – March 2014 about the prevention review, and development of a prevention model and initial proposals.

The approach taken to the formal consultation exercise was varied. It was intended to support the greatest number of people to be involved (including customers, providers, stakeholders and the general public) and to provide feedback and comments on the secondary prevention model and commissioning options. The approach included the following:

- wide promotion of the consultation exercise, including an article in Leicestershire Matters (Spring 2014 edition) and distribution of over 330 posters advertising the consultation to a variety of community locations (such as libraries, museums, hairdressers, clubs and leisure centres, providers, and the Borough and District councils);
- information (on-line or in hard copy format upon request) to explain the secondary prevention model and commissioning proposals;
- on-line questionnaires available to all with hard copy versions available upon request or distributed at consultation events;
- a series of workshops for providers of existing prevention services. These included a series of four generic workshops between January and May 2014. Three of these workshops (which were all attended by representatives from existing homelessness services including Shaw Healthcare, Youth Shelter, East Midlands Housing Association (EMHA – Enable), Nottingham Community Housing Association (NCHA) and The Bridge) took place prior to the formal consultation exercise which began in April 2014 and were used as an opportunity to bring providers attention to the prevention review, development of the prevention model and to begin scoping proposals.
- Service group specific provider workshops in May 2014, including one for providers of existing domestic abuse and homelessness services, including representation from Shaw Healthcare, Youth Shelter, East Midlands Housing Association (EMHA – Enable), Nottingham Community Housing Association (NCHA) and The Bridge. At this workshop, the idea of commissioning either only floating support or floating support with an element of accommodation for homelessness support was raised and discussed.
- a series of workshops for customers accessing the existing prevention services and three workshops which were open to the general public. These were attended by 580 individuals. At these workshops, the idea of commissioning



either floating support or floating support with an element of accommodation for homelessness support was raised and discussed where relevant to the customers being consulted.

In respect of proposals around other vulnerable people (and homelessness, specifically), the following activities also took place:

- Offer of 1:1 meetings with providers to further discuss their concerns/comments on the review and proposals – only three providers (NCHA/The Bridge; Adullam and Youth Shelter) took up this offer
- Offer for officers to visit service users or to be involved in consultation events that providers might wish to organise – only one provider (Adullam) took up this offer
- Receipt of letters and reports from service users, providers and stakeholders as part of the consultation process, including representation and documents from Shaw Healthcare. These included documents received outside of the formal consultation exercise and all were recorded on the prevention review communications log and scrutinised and taken into account as part of the consultation process (see Appendix B of Cabinet paper, 19<sup>th</sup> September 2014)

A log of activity in respect of communication with providers, service users, stakeholders and the general public and key consultation activities in respect of other vulnerable people is recorded on the attached communication log (see attachment).

It is noted, therefore, that all the providers of the Departments existing homelessness services had been provided with information about the potential for an accommodation-based element of support to be commissioned as part of proposals arising out of the prevention review. This was discussed at a number of consultation events, including events at which representatives from Shaw Healthcare, Youth Shelter, East Midlands Housing Association (EMHA – Enable), Nottingham Community Housing Association (NCHA) and The Bridge are recorded as attending.

Throughout the prevention review (including the formal consultation exercise and revision of proposals) there have been regular briefings to the Departmental Management Team (DMT) and the lead member for Adult Social Care. This has ensured Departmental had political involvement at all stages of the review process and added to the transparency of the development of future commissioning options and recommendations.

It is further noted that a letter from Shaw Healthcare to the County Council dated 17<sup>th</sup> September 2014 (outside the public consultation period) was included in the documentation presented to Cabinet on 19<sup>th</sup> September 2014 (Agenda Item 6; Paper 6). Included in this letter were views about the viability of the proposed split of reinvested funding in homelessness services (floating support and accommodation-based support). This demonstrates that concerns and views raised by Shaw

Healthcare, including those specifically about the split of funding for floating and accommodation-based support have been taken into account and presented for consideration to Cabinet, regardless of when they have been received.

### *Revised Proposals*

As a result of consultation with customers, providers, stakeholders and the general public (received either during or outside of the formal consultation exercise between April and July 2014) proposals for both the level of reinvestment in homelessness services and the way those services should be delivered were revised. Accordingly, the proposed level of reinvestment was increased from £300,000 to £500,000 and the decision made to commission both a generic countywide floating outreach support service as well as supported accommodation. These revisions directly reflect feedback, including representations made by providers such as Shaw Healthcare and The Bridge.