

# Executive Decision Report

---

## **Homelessness Strategy: Phase 2 Delivery Proposals**

Decision to be taken by: **Assistant City Mayor  
Housing**

Decision to be taken on: 14 August 2013

Lead Director: Ann Branson

**Housing Scrutiny Commission  
25<sup>th</sup> July 2013**

---

## Useful information

- Ward(s) affected: all
- Report authors: Ann Branson and Gurjit Minhas
- Author contact details: 296901 and 296266

### 1. Summary

- 1.1 The Homelessness Review established that homelessness services are in need of transformation. The Homelessness Strategy aims to transform services with a move away from the current culture of crisis and rescue to providing more prevention and support.
- 1.2 The review found that a hostel environment is not always conducive to achieving positive changes for people. If people do become homeless, services need to enable them to access and sustain independent settled accommodation as quickly as possible.
- 1.3 The principles of the Strategy have been adopted and some first phase delivery decisions taken.
- 1.4 A 12 week public consultation exercise took place and the responses to the consultation were set out in a separate report, which has been considered by the Executive. This second phase report proposes further delivery decisions, including provision for young people, single people and provision on floating support. A further report on the proposal to end Band 5 in the housing allocation policy will be brought to the Executive.
- 1.5 Section three of the report gives supporting detail for each of the recommendations.
- 1.6 The budget for all Homelessness Services for 2012/13 is £6.611m and the agreed budget, subject to further decisions for 2013/14 is £5.590m. The estimated potential total saving arising from all the Consultation Proposals was £2.1m of which £100k related to a review of senior management with the remaining £2.0m to be found from service reconfigurations consulted upon in 2012. Phase 1 decisions will lead to estimated savings of £945k per annum. This report identifies a net further saving of £1011k per annum giving an overall net savings of £1685k against the target of £2m. Because the context of homelessness is volatile, the proposed budget includes provision for continuing transitional support in temporary accommodation for families should this be required, and provision to further develop work with the private rented sector as the strategy is implemented. These issues will be reviewed at least annually. A further report containing a proposal relating to band 5 of the housing allocation policy is likely to only identify only small savings.

## 2. Executive Proposal

The Executive considered the feedback from the consultation and further information from officers and makes the following proposal:

### Strategy and Policy:

2.1 The Homelessness Strategy is approved.

2.2 the proposed **Eligibility Criteria** set out in Appendix A for access to all council funded temporary accommodation are adopted.

### 2.3 Delivery Plan: Services for Single People and Childless Couples

the proposed approach for homeless services for single people and childless couples as set out in Appendix B is noted.

2.4 the **Dawn Centre** is retained as a temporary hostel for homeless single people consisting of 44 units (as defined in our access criteria as set out in Appendix A)

2.5 Executive consider the proposal to close **Lower Hastings Street** and **Loughborough Road** hostels subject to consultation with Trade Unions and affected staff.

2.6 support is commissioned for **single people and childless couples** in 220 units of accommodation. 85 of these units will be for young people aged 16 to 24 years old and 135 would be for single people and childless couples aged over 21.

### 2.7 Delivery Plan: Floating Support Provision

2.7.1 floating support is increased to provide 395 units through retaining 175 units in-house (includes the Revolving Door Service) and commissioning 220 units from external providers. It is proposed that generic floating support will be commissioned for all client groups except ex-offenders as it is recognised that this high risk client group requires specialist support. Currently the City Council funds 42 units for this client group and the commissioning process will further determine if the number of support units is to remain the same.

### 2.8 Delivery Plan: Next Steps

2.8.1 a further report on the proposal to end Band 5 in the housing allocation policy is brought to the Executive.

## 3. Supporting information including options considered:

3.1 **Homelessness Strategy** - Feedback on the headline strategic priorities are generally positive and these are therefore proposed unchanged. They are:

- Anyone at risk of homelessness is given advice and support to prevent this, whenever possible
- When someone is homeless today, we aspire to assist them into appropriate accommodation, with support, and we will ensure that services are tailored to address their individual needs
- We will implement 'No Second Night Out' to ensure that new rough sleepers will not sleep out for more than one night
- Anyone who is homeless will be able to 'move-on' into appropriate accommodation
- Anyone who is homeless will be able to access appropriate care services to meet their health and well-being needs
- There are opportunities to access training, education, employment and enterprise initiatives

3.1.1 In support of achieving each of these priorities a number of policy and process proposals were made. These were largely supported and only minor amendments have been made to the strategy.

3.1.2 The emphasis on the prevention of homelessness and the prevention of repeat homelessness will be achieved by retaining and enhancing the following services:

- Housing Options advice
- Leicester Homechoice and the housing allocations policy
- Leicester Let and Rent Deposit Guarantee Scheme and work with the private sector
- Increase in floating support
- Revolving Door Service
- Temporary accommodation for those who meet the eligibility criteria

3.1.3 Within the City Mayor's Delivery Plan a target has been set to reduce the number of single people on the repeat homelessness list by 25% during 2013/14 with a baseline figure of 118.

## **3.2 Eligibility for access to council funded temporary accommodation.**

3.2.1 The Executive agreed to pilot the use of new criteria. The results of the first six months show that 436 unique single people (or childless couples) came to Housing Options requesting temporary accommodation. Of these 70% met our criteria. During this period we were able to provide accommodation for the majority of people who met our threshold on their first request. The experience of using the new criteria has shown that vulnerable adults, people with an offending background, those at risk of rough sleeping and people on drug/alcohol programmes have been the main groups offered temporary accommodation. During the pilot, admissions to the 32 bed Upper Tichbourne Street single person hostel stopped and it has now closed.

3.2.2 The majority of respondents to the consultation support the eligibility proposals but there are concerns about what will happen to the people who do not meet

these criteria and this was looked at carefully in the pilot. Single people who did not meet the criteria for temporary accommodation were given housing advice and other support (e.g. rent deposit scheme) and the majority (88%) accepted this and did not return again to Housing Options. No one went onto rough sleep. There were comments on how the criteria should be broader but almost all of the suggestions were for groups already included in the criteria and showed some misunderstanding of the fact that the proposals go beyond the statutory minimum, and lack of awareness of the legal tests we apply to identify vulnerable people. Children's Social Care and Safeguarding Division, the Adult Social Care Divisions and the Probation Service are supportive of the criteria. The conclusion is that the criteria are fit for purpose and it is proposed they are adopted.

**3.3 DELIVERY PLAN proposals: Temporary Accommodation – Services for Single People and Childless Couples**

**3.4 Dawn Centre** is retained as a temporary hostel for homeless single people consisting of 44 units (as defined in our access criteria) in order to continue providing emergency accommodation, and used as an assessment centre to identify support needs and more appropriate temporary accommodation. The Dawn Centre offers significantly better value for money than current external providers and gives Housing Options a flexible and responsive service, particularly in emergencies. (There are 10 emergency dormitory beds at the Dawn Centre)

**3.5** Executive consider the proposal to close **Lower Hastings Street Hostel** (subject to consultation with trade unions and affected staff); this is currently used as temporary accommodation for young people. The building does not provide suitable modern accommodation. It is proposed that all temporary accommodation for those aged 16 to 24 is provided in the voluntary sector.

**3.5.1** Executive consider the proposal to close **Loughborough Road Hostel** (subject to consultation with trade unions and affected staff); this is currently used as temporary accommodation for single people and childless couples. There is an over provision of accommodation for those aged over 25 and Loughborough Road is more expensive than other provision.

**3.6** To commission support for **young people, single people and childless couples** in 220 units of accommodation.

**3.6.1** **85** of these units will be for young people aged 16 to 24 years old and it is proposed that this is commissioned from the voluntary sector as they are able to provide better inclusive services for this group. We are currently in discussion with Children's Services whether any of the provision should be specialist small units for the under 18 year olds.

**3.6.2** We are proposing to retain the 90 units of LCC supported and shared housing, which is less expensive to run and good quality accommodation and to commission the remaining 45 from the voluntary sector (see also 3.6.10). As part of the commissioning process the need for specialist temporary

accommodation will be assessed.

3.6.3 These options are generally in keeping with the original proposal outlined in the Delivery Plan for 264 units for young people, single people and childless couples. In this report there are two changes to the original proposals: that we increase the proportion of units for young people from 65 to 85 and that we do not commission any additional transitional units, this is based on evidence from the 26 week pilot.

3.6.4 Based on the eligibility criteria pilot, the level of provision now being proposed would be sufficient to meet the need for temporary accommodation for young people, single people and childless couples who met our eligibility criteria and allow for additional capacity to support those clients currently in voluntary sector temporary accommodation who may meet our eligibility criteria. Based on our eligibility pilot it is estimated that 232 people aged 16 to 24 and 378 singles and couples would meet our criteria each year. The proposed number of units will meet the estimated need based on a length of stay of between 2 weeks and 6 months (or an average length of stay of 4 months) and cater for peaks and troughs throughout the year.

3.6.5 We are proposing a core and cluster model for supported housing for young people, single people and childless couples across the 220 units identified in the proposals. The core enables the provision of intensive support from support workers based at the accommodation during the day. The cluster element is designed for lower support needs to provide better preparation for independent living as well as greater flexibility over accommodation utilised to deliver support. Staff based at the core accommodation will also provide support to the cluster accommodation.

3.6.6 Currently we have 424 units of temporary accommodation provided by the voluntary and community sector and the council, this will reduce to 264 (37.5% reduction). The implementation of the strategy will mean that fewer single and childless couples will be referred to hostel accommodation; more people will be helped by Housing Options and floating support services to retain their current accommodation and prevent homelessness and more people will be offered the private rented sector, to relieve their homelessness.

3.6.7 Response to consultation: There are general concerns about reducing units for single people, particularly when the impact of welfare reform is not yet known. Two petitions asked the Council to 'maintain the current number of available bed spaces for homeless people.' There is concern that the delivery proposals will increase homelessness and issues raised include concerns about hostels failing single people leading to repeat homelessness and the need for provision for women. Children's Service's feedback has confirmed that there would be sufficient provision to meet the needs of homeless young people and specifically those leaving care.

3.6.8 Support will be made available as required to every client who may have to leave temporary accommodation as a result of any changes in Council funding to existing providers. As part of the transitional arrangements providers will be

required to complete a decommissioning plan that will identify the support needs of those clients who may be affected by the changes.

### **3.6.9 Impact on Voluntary and Community Sector**

3.6.10 The following VCS providers of accommodation based services have been informed that their current contract will end in October 2013. These contracts will need to be extended until new services are in place, the current time scale for this pending the decisions on this proposal is February 2014. The reduction is from 248 to 130 units.

<b>Provider</b>	<b>Accommodation</b>
YMCA	East Street (53 units) Young People Aylestone Project (30 units) - Young People
Hits Homes Trust	Evington Road (15 units) - Young People Maidstone Road (8 units) - Young People
Leicester Holme Project (Leicester Quaker H.A.)	Jason Court (11 units) - Young people Wordsworth House (14 units) - Singles
Action Homeless	Avondale (8 units) - Singles Daneshill House (5 units) - Singles Jarvis House (6 units) - Singles Oakfield House (8 units) - Singles The Haven (7 units) - Singles The Hollies (11 units) - Singles Tichbourne House ( 5 units) - Singles Mayfield House (28 units) - Singles
Park Lodge Project	Park Lodge (11 units) – Young People St Michaels (13 units) – Young People
Foundation (East Midlands H.A.)	Men’s Hostel (15 units) - Singles

The providers can of course tender for the new services proposed in this report.

### **3.7 Delivery Plan: Floating Support Provision for Families and Singles**

3.7.1 It is proposed to increase floating support from the current 316 units to 395 units for support in private tenancies or housing association tenancies. This is as set out in the consultation proposal.

3.7.2 It is proposed that in house provision (including Revolving Door Service) remains at 175 units, provided by STAR to non – council tenants.

3.7.3 It is proposed a growth of 79 units is commissioned in the voluntary and community sector. Most will be commissioned as generic support, except for the specialist number of units for ex-offenders which will be determined by the commissioning process.

3.7.4 Response to consultation: The proposal to increase floating support was welcomed and services such as STAR and Revolving Door received compliments. Personalised support following the user wherever they are accommodated was welcomed. There was some concern that this should not replace intensive support provided by hostels. Consultation feedback received indicated that BME specific services should be retained. Currently Foundation provides BME specific floating support and Catch 22 provides support to refugees. It is proposed that specifications for generic support will require providers to meet the needs of all people with protected characteristics. Providers will be asked to demonstrate how they can provide support to BME clients and as part of the contract provide a culturally sensitive service to meet the needs of diverse members of the communities of Leicester.

3.7.5 The following VCS providers of accommodation based services have been informed that their current contract will end in October 2013. These contacts will need to be extended until new services are in place, the current time scale for this pending the decisions on this proposal is February 2014. The increase is from 141 to 220.

<b>Provider</b>	<b>Accommodation</b>
Sharp	Housing Support Re-settlement (19 units)
OASYS	Floating Support (23 units)
Action Homeless Re-settlement	Floating Support (15 units)
Foundation (East Midlands H.A.)	Tenancy Support (24)
Catch 22 Charity Ltd	Catch 22 (60)

The providers can of course tender for the new services proposed in this report.

### **3.8 Delivery Plan: Next Steps**

3.8.1 A further report on the proposal to end Band 5 in the housing allocation policy will be brought to the Executive.

### **3.9 Transitional Arrangements**

3.9.1 Transitional arrangements will be put in place to ensure that support is



available to every client leaving temporary accommodation as a result of any closures. Exit plans will be developed for each individual client to find alternative accommodation and where possible settled independent accommodation with support if required.

### 3. 10 Risks

3.10.1 The risks associated with these proposals are that:

- The rise in the number of people who come to Housing Options saying that they are facing homelessness is greater than estimated
- We fail to prevent homelessness.
- We have insufficient temporary accommodation and/or access to independent settled accommodation.
- Support packages fail to prevent homelessness and repeat homelessness.

### 3.11 Risk outcome and its mitigation

3.11.1 **Mitigation:** The proposed number of units allow for a 10% increase in homelessness. As part of the implementation of the proposals intensive multi-agency support is being provided to those most at risk of rough sleeping or repeat hostel use. New ways of working are beginning to meet with some success. The Homelessness, Prevention and Support Service has been strengthened to focus reducing length of stay in temporary accommodation.

3.11.2 **Prevention and Support Initiatives** – the Homelessness Prevention and Support Service work on a number of other initiatives funded by one off dedicated grants from government to support people who are facing and who are at risk of homelessness, which include the following:

- **Mortgage Rescue Scheme** – the service runs a scheme funded by central government which is targeted at people in mortgage difficulties and facing re-possession.
- **Private Rented Sector Development** – the service is working with the Leicestershire districts, using funding from central government to improve working with the Private Rented Sector in the City and the County.
- **Severe Weather Bed Provision** – DCLG provided a small fund to spend on extra bed spaces where needed, and for providing extra staff, catering, furnishing and other items.

3.11.3 If the proposals fail to mitigate these risks the outcome will be:

- For single people, rough sleeping. It is difficult to predict the impact on the city. Few people actually resort to rough sleeping (143 individuals between April 2012 to March 2013). Most will 'sofa surf' or live in overcrowded households potentially causing tension and disruption for families and friends.

### **3.12 Impact on voluntary sector**

3.12.1 In developing the proposals set out in the Delivery Plan the relative impact on the voluntary sector and in house services has been assessed. The potential procurement implications for the voluntary sector are set out at Appendix C.

### **3. 13 Public Services (Social Value) Act 2012 – How will the proposals for procurement help improve the economic, social and environmental well being of the relevant area?**

3.13.1 The proposals aim to transform homelessness services in Leicester away from a culture of crisis and rescue to one of prevention and support. Evidence for this need has been identified and is under pinned in our review of homelessness in Leicester. Opportunities to tender for services commissioned externally will be open to both the private and third sector. Procurement for new services will take place following procurement rules and regulations and we will support socially responsible business practices. Service specifications will be outcome based so we can better monitor the impact services have on people. This will replace output specifications that tend to just monitor the number of people services support. Bidders will be required to explain what social value their organisation will bring. This will contribute towards the tender evaluation process and award of contract. Improvements will be secured through the award of contracts, for which the service providers will have a contractual obligation to meet.

## **4. Details of Scrutiny**

### **Public consultation was conducted for 12 weeks ending February 18th**

The Consultation Feedback Report provides detailed feedback from respondents.

**Adults and Housing Scrutiny Commission** considered the overall proposals at a special meeting on 16<sup>th</sup> January 2013. The minutes have been made available to the Executive. These phase 2 proposals will be considered by the Housing Scrutiny Commission before the final decision is made.

## 5. Financial, legal and other implications

### 5.1 Financial implications: David Janes and Peter Coles- Project Accountants and Rod Pearson – Head of Finance

The council's budget strategy includes the following cumulative reductions to be made in Homelessness expenditure:

2013/14	£0.900m
2014/15	£1.930m
2015/16	£2.000m

The figures shown in this section need to be viewed as illustrative only as there are material uncertainties on the timing, cost and final form of the new Homelessness Strategy.

Final decisions on Phase One of the project were made by the Executive on 28th March 2013. The full year savings on these are estimated to be £945k, and reflects proposals withdrawn or modified following consultation on the Homelessness Strategy. As a consequence the savings are £280k less than the £1,225k savings that would have resulted from the full implementation of the original strategy.

The Phase 2 proposals in this report are estimated to give rise to savings of £1,011 which is £35k less than the original estimate based on original Homelessness Strategy.

The impact of these is shown in table 1 below. The £271k cost shown for "remaining items" were accounted for in the consultation and relate to a reduction in supporting people grant and the development of new services to support greater use of the private rental sector.

**Table 1 – Estimated Full Year Savings**

	<b>Estimated Savings On Basis Of Consultation £000 p.a.</b>	<b>Current Projection £000 p.a.</b>	<b>Difference £000 p.a.</b>
Phase 1	1,225	945	-280
Phase 2	1,046	1,011	-35
Remaining items	-271	-271	0
<b>Total</b>	<b>2,000</b>	<b>1,685</b>	<b>-315</b>

The following table shows the estimated financial impact of the service remodelling in 2013/14, 2014/15 and later years, including the one-off use of reserves in 2013/14.

**Table 2 – Estimated Savings by Financial Year Compared to DRS Savings Target**

	<b>DRS Savings</b>	<b>Current Projection</b>	<b>Shortfall</b>	<b>Transfer from Housing Reserves</b>	<b>Remaining Shortfall</b>
	£'000	£'000	£'000	£'000	£'000
2013/14	900	474	426	(351)	75
2014/15	1,930	1,564	366		366
Full Year	2,000	1,685	315		315

These estimates are based upon:

- the current project plan;
- where applicable, updated estimates of phase 1 based on the procurement work currently being undertaken;
- otherwise, existing contract prices;
- the assumption that existing contracts will terminate and new contracts start on the dates assumed within the project plan - with Phase One being substantially implemented from January 2014 and Phase 2 from March 2014. If the implementation of Phase One were to slip the cost would be £102k for each month of slippage and for Phase Two the cost would £81k for each month of slippage.

The estimates do not include any provision for decommissioning costs, the most significant of which are likely to be redundancy costs.

The two main issues arising are:

1. The achievability of the currently budgeted savings. As shown in table 1 above estimated savings are £1,685k and are £315k less than the savings target of £2m. This shortfall means that compensating savings need to be found elsewhere. At this point it is unclear how this will be achieved.
2. The timing of the savings. Delays in achieving the savings will, if no further action is taken, lead to in-year one-off shortfalls. There will be a shortfall in 13/14 of £426k. Housing have uncommitted reserves of £351k which could (subject to agreement by the Executive) be used to offset the position leaving £75k still to find. If no action is taken on the on-going shortfall then there will be a further shortfall in 14/15 of £366k. Decisions remain to be taken on how this will be achieved.

As noted above the project has been substantially costed on the basis of existing contract prices. The cost of new contracts will become increasingly clear as the procurement process proceeds. Whilst the final cost will not be known until contracts

are let, benchmarking cost data gathered during procurement will give indicative costs at an earlier stage.

## 5.2 Legal implications : Carolyn Howard Solicitor

5.2.1 under the Homelessness Act 2002 the Council is required to have a strategy for preventing homelessness in its area. The strategy must apply to everyone at risk of homelessness and not only those who are identified as being within a priority group under the Housing Act 1996 part 7.

5.2.2 the proposed strategy follows a period of consultation and should give due consideration to the matters raised therein in adopting its strategy.

5.2.3 in securing external services the Council is required to comply with statutory procurement procedures and to ensure that any existing services that need to be ended are terminated in accordance with present contractual arrangements.

5.2.3 tenders are to be sought in accordance with the Council's statutory and internal procurement obligations, there is no specific relationship other than contractual with existing providers that takes precedence over such obligations..

5.2.4 tender specifications may require bidders to demonstrate an existing local presence or the ability to establish a local presence in order to deliver services but must not discriminate against potential providers who do not currently have a local presence

## 5.3 Climate Change and Carbon Reduction Implications - Charlotte Wood, Senior Environmental Consultant (Climate Change), Environment Team, 29 8174

The main implication arising from these proposals is in the reduced provision of hostel accommodation and the increased use of private rented accommodation.

The closure of hostel accommodation currently provided by the Council should lead to a reduction in the direct carbon footprint of the Housing Division. However, this will not affect the corporate carbon footprint figures reported to the Government – as these do not include emissions from residential accommodation provided by the Council.

In terms of the wider carbon footprint of Leicester, the Council could have a positive influence on the energy efficiency of private rented accommodation which takes the place of hostel accommodation. A minimum standard of efficiency could be required on the Energy Performance Certificate before a property would be recommended. Landlords of poorly insulated properties could be signposted to advice about how to bring them up to standard. The overall effect would be to benefit tenants by ensuring homes are affordable to keep warm, as well as to reduce carbon emissions.

#### 5.4 Equality Impact Assessment : Irene Kszyk- Corporate Equalities Lead

The equality implications identified in earlier reports are still relevant as the proposed course of action has remained the same. All protected characteristics could potentially be affected, and the range of possible positive and negative equality impacts remain under consideration.

This report highlights that the pilot is are being carried out on the Eligibility Criteria and that outcomes are being monitored and reviewed against the original assumptions underpinning the proposal. Evidence collected indicates that expected outcomes are being achieved and that there are no unexpected impacts arising. This monitoring and review of pilot outcomes enables officers and Members to take an ongoing assessment of actual equality impacts and determine whether any previously unforeseen mitigating actions are required.

It is important to have a sense of the relative 'equality/human rights' priorities that frame our responsibilities in considering what action to be taken as an authority in addressing the needs of people likely to become homeless.

In meeting people's basic human rights as set out in the Human Rights Act 1998) in regard to homelessness, the most relevant Articles to consider are:

- Article 2: the right to life
- Article 3: the right not to be tortured or treated in an inhuman or degrading way
- Article 8: the right to respect for private and family life, home and correspondence

The above Articles should be embedded within the eligibility criteria used to prioritise the provision of services to those who are likely to become homeless or are already homeless. Considerations around safeguarding and crime and disorder issues and the provision of appropriate support to individuals and families are indicative of how we would be meeting our Human Rights responsibilities.

In addition to Human Rights, consideration also needs to be given to the Equality Act 2010. Key here is the consideration of the impact of discrimination – elimination of discrimination is a feature of our public sector equality duty - crucial to those who already experience discrimination as a result of their protected characteristic (and where this possibly contributes to their being homeless) or who may be likely to experience discrimination as a result of their protected characteristic while being homeless. Again these considerations should be embedded within the eligibility criteria used to prioritise the provision of services based on an individual's or family's circumstances.

A final consideration is to ensure in the delivery of services identified in the strategy, that we meet the diverse range of customer 'service utilisation' needs reflecting the range of protected characteristics of those being served. Unless service practice/delivery is gender, cultural, or faith appropriate for example, the intended outcomes of service provision will not be met due to lack of fit. By ensuring that

practice meets the diverse range of potential needs, we are meeting another element of our public sector equality duty – the promotion of equality of opportunity in achieving improved outcomes of not being/no longer being homeless.

The separate Equality Impact Assessment completed templates for the Homeless Strategy and the Homeless Strategy Delivery Proposals capture a range of positive and negative impacts which extend across the full range of protected characteristics.

#### 5 Human Resource Implications: Karen Demmer - HR Team Manager, Hayley McDade - Employment Solicitor

Leicester City Council staff are employed within Lower Hastings Street and Loughborough Road hostels both of which are proposed for closure. If the Executive is minded to consider the proposal to close the two hostels then a statutory consultation with trade unions and affected staff must take place in relation to any potential redundancies. This will require both collective and individual consultation which will need to take place over a period of at least 30 days due to the numbers of staff involved. The consultation will also need to cover the selection processes that will be used to determine the potentially redundant employees. It is possible that TUPE may apply to some staff and an open dialogue with HR and Legal Services should be maintained in order to manage this.

Careful planning will be required to determine the timeline for the potential closures to ensure that work begins in sufficient time and that this is planned alongside service implications. Ongoing discussion with HR is recommended in this respect.

If notice of redundancy is issued to staff support will be available to those affected through the Council's HR procedures including outplacement service, marketplace events and redeployment procedure. Employees also have access to the Council's confidential counselling service Amica.

#### **Employment Law**

Legal Services are advised that the majority of the employees at the hostels rotate between the Council owned hostels and are accordingly are likely to be assigned to the service as a whole rather than the individual hostels themselves. However depending upon the timing of the closure of the hostels there is a potential for those employees who are not so assigned to transfer to the new providers under the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE"). Should such a situation arise the employee would be entitled to transfer with the benefit of either continued access to the Local Government Pension Scheme or a broadly comparable scheme. It is advised that Legal Services are consulted throughout the procurement of the contract to ensure that the Council meets any legal obligations that may arise under the TUPE Regulations.

On the information currently available to Legal Services there is a strong possibility that employees of the current external providers will be subject to transfer to the new providers under the TUPE Regulations. Due to the significant cuts in budget there is a risk that the successful bidder will inherit significantly higher numbers of employees than they require under the proposed Service. This will of course have cost implications for the successful provider.

**6. Background information and other papers:**

The public consultation documents on the Homelessness Review, Strategy and Delivery Proposals.

**7. Summary of appendices:**

Appendix A: Eligibility Criteria

Appendix B: Services to Single People

Appendix C: Impact on the Voluntary Sector

**8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?**

No

**9. Is this a “key decision”?** Yes

**10. If a key decision please explain reason**

The decisions as a whole will have significant effect on all wards in the City and will have significant impact on the current budget of £6.6m pa.



## Appendix A

### **Eligibility criteria for offer of emergency or temporary accommodation**

These criteria may be reviewed in response to experience of their impact.

1st criteria: are homeless or threatened with homelessness and eligible for public assistance (unless found rough sleeping).

2<sup>nd</sup> criteria: fall into one of the following categories.

#### **No changes to previous criteria.**

<b>Category</b>	<b>Duty arises from</b>
a. Family, pregnant woman (no change to previous criteria)	Housing Act 1996
b. Vulnerable Adult (no change to previous criteria)	Housing Act 1996
c. Children leaving care (no change to previous criteria)	Children's Act 1989 Referrals from Children's Division and Housing Act 1986.
d. High risk offenders (no change to previous criteria)	Criminal Justice Act 2003 Duty to co-operate with Police, Probation and Prison Services under Multi-Agency Public Protection Arrangements (MAPPA)
e. Ex-offenders leaving approved premises. (no change to previous criteria)	Criminal Justice Act 2003 Referrals from Probation Service.
f. Vulnerable adults and families (no change to previous criteria)	National Assistance Act 1948 Referrals from Adult Social Care Division.
g. Young offenders and ex-offenders (no change to previous criteria)	Criminal Justice and Immigration Act 2008 referrals from Youth Offending Service.
h. Council tenants in an emergency. (no change to previous criteria)	Identified within Housing Division (payment made by HRA, most council tenants would be rehoused within council house stock).
i. People over 60. (no change to previous criteria)	Who do not fall within above categories, identified by Housing Division.
j. People found rough sleeping or considered to be of immediate and high risk of rough sleeping.	Who do not fall within above categories, identified by Housing Division and in support of No Second Night Out principles. Dormitory accommodation may be offered to people who are in this category, particularly in an emergency or where the person is not connected to Leicester( see note 3) or is

	ineligible for public funds
--	-----------------------------

**Proposed changes in criteria.**

<p>k. Other ex-offenders: under current eligibility criteria offences from many years ago taken into account. This new threshold will reduce numbers of people offered temporary accommodation and focus on those most likely to be facing problems.</p>	<p>Crime and Disorder Act 1998 General duty to prevent Crime and Disorder. Usually people approaching us within one year of leaving custodial sentence who do not fall within above categories. Identified by Housing Division with Probation Service</p>
<p>l. People on identified drug and alcohol programmes or eligible for them and on waiting list. Under current eligibility criteria a client saying they use drugs or alcohol is taken into account. This new threshold will reduce numbers of people offered temporary accommodation, and focus on those with most problems.</p>	<p>Who do not fall within above categories. Referrals from agencies identified by ASC Drug and Alcohol Services</p>

**Notes**

1. Categories a: and b: are homelessness duties.

Categories c: to g: may be regarded as arising directly from other Council statutory duties.

Categories h: to l: support other high Council priorities.

2. Access to emergency or temporary single homeless accommodation is primarily for those applicants that have had a settled address in the City of Leicester for the last 6 out of 12 months immediately prior to presentation (rough sleeping will not count towards this connection) or if the applicant has always been connected to Leicester but has been in prison/institution away from the City and is now homeless immediately post release/discharge.(exceptions to this policy will apply where there is a statutory homeless duty.)
3. The Council may refuse to provide a bed space when there are no vacancies and there is no statutory duty to do so. Advice will be given. Where there is a duty

and there are no suitable hostel bed spaces, other temporary accommodation will be offered.

4. The Council imposes sanctions on homelessness service users who fail to comply with accommodation and other agreements (e.g. failure to comply with rent payments or arrears agreements, threatening behaviour etc.) These sanctions can include the need to meet specified requirements to gain re-entry to hostels.

## Appendix B

### Housing Services for Single People and Childless Couples

1. Generally speaking, the state expects single people and couples without children to make their own housing arrangements. This is unlike the situation for families, where homelessness and other legislation give a comprehensive safety net, to ensure children have somewhere to live, almost always with their families.
2. Statute and case law recognise that some single people and couples are “vulnerable” which is defined as *“when homeless, a person is less able to fend for himself than an ordinary homeless person so that injury or detriment to him will result, when a less vulnerable person would be able to cope without harmful effect.”*
3. For these people the Council must make suitable accommodation available and this may include a period in temporary accommodation while their vulnerability is assessed and then, if vulnerable, while suitable accommodation is found.
4. Housing authorities have a duty to provide advice and information about homelessness and the prevention of homelessness to all its citizens. The provision of comprehensive advice plays an important part in delivering the Council’s strategy for preventing homelessness in the City. The type and amount of advice is not defined and can for some people be advice on a website which can therefore be universally available. The amount of detailed one- to- one advice and further assistance that a Council offers is for the Council to determine.
5. Leicester’s policy is to:
  - a) offer personalised housing advice to all who ask for it.
  - b) offer further housing assistance, which may include temporary accommodation to those single people and couples :
    - who will not be able to make their own housing arrangements without more help and who therefore may become vulnerable giving rise to

the duty to make accommodation available to them, if they face a crisis (prevention)

- who may develop other problems in society if they become or continue to be homeless. For example, it is evidenced that ex-offenders are more likely to reoffend if they become homeless, people who become homeless have greater health needs, homeless people may rough sleep giving a City a poor image. These people may not meet the definition under the housing acts as vulnerable but we have included them in our criteria for eligibility for temporary accommodation.

6. The Council therefore needs to identify the best way to target its limited resources so as to give the right level of advice and assistance to **prevent** homelessness. This will include

- *giving advice to all who contact us*, including help to allow people to continue living with, or return to, family or friends, and persuading private landlords to allow a tenant a little more time before serving a notice to quit. The Housing Options Service gives telephone advice to about 1000 callers per week. (This figure includes families, single people and childless couples.) The service interviewed and gave personalised written advice to 785 single people and couples between April 2012 and March 2013.
- *providing council housing*, prioritising those most in need through our housing allocation policy, and using Homechoice to match people to properties. Between April 2012 and March 2013 the council let 457 flats and bedsits excluding older person's accommodation, 157 to those who were facing homelessness or were homeless.
- *arranging access to housing association housing* in the city, prioritising those most in need through our housing allocation policy, and using Homechoice. Between April 2012 and March 2013 157 one bedroom tenancies were let through nominations to Housing Associations, 51 to those who were facing homelessness or were homeless.
- *arranging that a proportion of the new affordable housing the council enables is one bedroom accommodation*. Over the last 2 years, 42 one bedroom homes for social rent/affordable rent have been built. This is 18% of the total 235 Affordable Housing homes built in Leicester in that period.
- *obtaining help in getting a tenancy in the private sector*
  - Giving rent deposits - 97 rent deposit guarantees ( April 2012 –March 2013)
  - HomeCome leasing schemes have not been able to provide any single accommodation from private landlords to date

- *providing support* where necessary to prevent homelessness or repeat homelessness from STAR or a VCS contracted floating support scheme. 715 STAR (204 VCS) single persons and couples supported between April 2012 - March 2013 across all tenures.
  - of these, the Revolving Door Service provided intensive support to 70 people who had repeat stays in hostels
  - *providing a reconnection service* to homeless people from out of Leicester, 90 single people were reconnected within UK, and 14 reconnected abroad
7. It is not always easy to predict the level of advice and assistance that a person will need to prevent the crisis of homelessness. Ideally a single person or couple will live with family or friends or in their current home, until they are successful in bidding on HomeChoice or they find their own private let, perhaps with the aid of a council rent guarantee, or other housing arrangement, ie they are making their own arrangements.
  8. However, as recognised above, for some single people who reach that crisis point it will be reasonable **to offer a period of time in temporary accommodation** while they are given intensive assistance to find their own tenancy in council, housing association, or private housing or to return to living with family and friends. Support will also be given, where required, to gain the life skills needed to maintain a tenancy once they find one and prevent repeat homelessness. The creation of a Homelessness Support Manager will bring together a number of current services for single people and introduce closer case management and case tracking to reduce the repeat use of hostels and repeat or long term rough sleeping.
  9. The Council has identified the groups of people, that in its experience, find it most difficult to make their own arrangements, and who if they become homeless may therefore need council funded temporary accommodation. This is the basis of the Eligibility Criteria for Temporary Accommodation (Appendix) which have been consulted on and have been used, as a pilot since November 2012. They arose from previously used criteria, but were different in defining more closely which ex-offenders and people with drug and alcoholic problems would be eligible.
  10. Except where there is a duty to provide temporary accommodation, the Council makes it clear that temporary accommodation will only still be offered where the Council has a bed space available. (where there is a duty and there is no suitable hostel space, bed and breakfast will be used) However,

there is a safety net of Dormitory beds at the Dawn Centre for those who are actually found rough sleeping or who officers assess, are be of “immediate and high risk of rough sleeping”. During severe weather more bedspaces can be provided.

11. The challenge is therefore for the Council to identify what amount and type of temporary accommodation it should offer to single people to
  - a. meet the temporary accommodation needs of people it has a duty to house,
  - b. assist other people who ask for temporary accommodation in a crises
  
12. Officers have done detailed analysis of the first 26 weeks of the eligibility criteria pilot, run in our Housing Options service to decide who to offer temporary accommodation to. (Nov 2012 – May 2013 ) We also looked at what Derby and Nottingham do, following recent severe reductions in service there. We found
  - that the pilot eligibility criteria seem fit for purpose . Only 12% of people who asked for temporary accommodation but did not meet our new criteria came back again to Housing Options . None slept rough. We recognise that some will have gone to the VCS open access hostels for help, but we do not know the numbers.
  - we found that the current amount of in – house provision (176 bed spaces) was sufficient to generate vacancies to help everyone who met the criteria , but we recognise that 19% of those people could not be placed on the day they first asked and had to return to Housing Options again.
  - we found that Derby have decided to offer single people bedspaces only if there is a duty to do so if they are rough sleeping
  - we found that Nottingham have decided to offer bedspaces to those where there is a duty , those found rough sleeping and has some capacity to help others i.e. more closely follows the proposed Leicester model.
  
- 13 In the phase one decisions the Council agreed to introduce a single access point for the allocation of council funded temporary accommodation and once this is in place it will allow better estimating of the amount of temporary accommodation required. Using the experience of the pilot, estimates have been made of the amount of temporary accommodation needed to meet the need arising from where a duty exists. Estimates include further capacity to give much higher likelihood of meeting the needs of those eligible on the day

they ask. There is no absolute guarantee of a bed space where there is no duty.

14 In summary, our review of housing provision for single people and childless couples concluded that:

- in allocating one bedroom Council and Housing Association housing the Allocation Policy gives reasonable priority to prevent homelessness for single people and childless couples and to help those who become homeless.
- the current priorities for deciding the size and mix for new affordable housing should continue
- the Homecome private sector letting scheme is very helpful for families , but it is more difficult to find accommodation for singles and progress on solving this may be slow
- that the current rent guarantee scheme is a further effective safety net in helping single people and the budget should be increased to meet predicted demand
- that offering floating support to some single people in the private sector and in Housing Associations to sustain tenancies . It will reassure landlords and may increase supply
- that the piloted eligibility criteria for access to temporary accommodation are fit for purpose and should be adopted as future policy
- the provision of temporary accommodation for single people is kept under review
- that because the strategy emphasises prevention, the provision of floating support for private and housing association tenants should be increased by 25% as proposed in the consultation
- that the underlying issue is the shortage of permanent, not temporary accommodation and that because there is a shortage of affordable housing in the City many single people will not be able to afford their own independent accommodation. This can lead to frustration and sometimes conflict and crisis with family and friends. In addition other pressures in single people's lives, including unemployment , low income, and relationship breakdown, mean that some single people, usually men, find creating a stable home difficult and they will from time to time require support. The Council will continue to make representation to government about the need for further housing, affordable housing and employment and training opportunities in the City and better resources to support those with drug, alcohol abuse and mental health issues.



## Appendix C

### Impact on Voluntary Sector

In developing the proposals set out in the Delivery Plan we have been mindful of the relative impact on the voluntary sector and in house services.

The potential impact of the proposals in this report on services formerly commissioned under the old supporting people grant regime is summarised in the following tables.

Estimated Contract Values	In House Hostels £000	In House Floating Support £000	In House Total £000	VSC Hostel £000	VSC Floating Support £000	VSC Total £000	Total £000
Current	341	434	775	1,526	358	1,884	2,659
Proposed	136	434	570	672	621	1,293	1,863
% reduction	-60%	0%	-26%	-56%	73%	-31%	-30%

### Summary former SP homelessness services: Units

Estimated Contract Values	In House Hostels £000	In House Floating Support £000	In House Total £000	VSC Hostel £000	VSC Floating Support £000	VSC Total £000	Total £000
Current	176	175	351	248	141	389	740
Proposed	134	175	309	130	220	350	659
% Increase/reduction	-24%	0%	-12%	-48%	56%	-10%	-11%

The impact on the voluntary sector is likely to be hostel closures. Our contracts are for support. The accommodation costs should be covered by rents (Housing Benefit). We cannot predict the exact response by the voluntary sector to our proposed reduction in volume and payment for contracted support in hostels. We hope some in the voluntary sector will reconfigure and provide more low cost 'move-on' i.e. flats and shared houses with visiting support rather than projects with staff based on site with overnight cover. We propose that the growth in floating support will also be largely met by voluntary sector provision.

