

CABINET

Homelessness Prevention Contract Tuesday 6 December 2011

Report of Head of Health & Housing

PURPOSE OF REPORT			
To inform members of the options available for the future delivery of the Homelessness Prevention Contract, which is due to expire on 31 March 2012.			
Key Decision	<input checked="" type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
			Referral from Cabinet Member
Date Included in Forward Plan	November 2011		
Project Appraisal Undertaken	No		
This report is public. Yes			

RECOMMENDATIONS OF COUNCILLOR LEYTHAM

- (1) That Cabinet agree to the continuation of the homeless prevention contract activity and;
- (2) That it is delivered in house at a reduced cost as part of an enhanced housing options service, as outlined in the report.

1.0 Introduction

1.1 Since 2003 the focus of the council's homelessness activity has been on the prevention of homelessness through early intervention. This is more cost effective than dealing with the consequences of actual homelessness. The District's Homelessness Strategy 2008-2013, approved by Cabinet in July 2008, sets out the Authority's strategic approach to delivering homelessness services.

1.2 Prior to 2009 the Council had awarded funding (via service level agreements) to voluntary organisations to provide a range of different services to homeless people. Following the adoption of the Homelessness Strategy in 2008, this arrangement was changed. The council, with a view to securing cost efficient provision for homelessness services, tendered for the wholesale provision of such services rather than arranging piecemeal provision. The contract was awarded to the YMCA/Signposts. The contract is known as the Doorstep Homeless Prevention Project which commenced in April 2009 for a period of 3 years expiring in March 2012. The current annual value of the contract is

£88,500.

- 1.3 The council has retained its statutory homeless responsibility relating to homelessness and the assessment of homelessness applications. It has successfully adopted the “Housing Options” approach and as a result has substantially reduced the number of homeless acceptances over the past 3 years. The Housing Options approach offers a wide range of options for people seeking accommodation in the public and private sector. It includes Mortgage Rescue, advice on shared ownership and affordable housing, access to rent deposit schemes, options for relocating and general advice for any housing related query.
- 1.4 The current Doorstep Homeless Prevention Project run by the YMCA/Signpost has worked in partnership with the Council’s Housing Options Team and has delivered a range of timely advice and assistance to prevent homelessness.

There is a detailed service specification in place to achieve the overarching aims of the contract which are:

- taking action to retain existing accommodation;
- securing alternative accommodation, usually in the private sector; and
- providing an outreach service to engage those who are hard to reach.

One example of this is by securing alternative accommodation (usually in the private sector) to those the authority does not have a statutory duty to offer accommodation to.

2.0 Proposals Details

- 2.1 The Housing Option’s team have adopted an holistic approach to dealing with homelessness. The team now deals with all of its enquiries by starting with a Housing Options interview. This gives officers the opportunity to provide housing advice to all applicants regardless of whether or not they are in priority need, or unintentionally homeless.
- 2.2 Successful prevention work involves not only the Council’s Housing Advice Service but relies on partnership working with other statutory and voluntary agencies. The Housing Standards Team deal with enforcement action against landlords where properties are in disrepair, where anti-social behaviour is taking place, and when landlords are illegally evicting their tenants. The Supporting People funded contract with DISC provides tenancy support to assist vulnerable households, particularly focussing on some of the districts most deprived wards.
- 2.3 The emphasis on prevention by the Housing Options service and the delivery of the homeless prevention contract by YMCA/Signposts has resulted in a considerable reduction in the numbers of households presenting and being

accepted as statutorily homeless. The Housing Options approach and the availability of services funded through the Homelessness Grant such as the rent deposit scheme, mediation, debt advice, and domestic violence prevention work have all contributed towards the downward trend of presentations and acceptances.

- 2.4 It is widely accepted that preventing homelessness from occurring (as opposed to dealing with actual homelessness) offers better outcomes for individuals in terms of their housing situation and their health and wellbeing. Prevention of homelessness is considered the most efficient and cost effective method. It reduces the need for costly temporary accommodation and social care or health service support. A move away from prevention and back to dealing with homelessness when it arises would therefore be expensive and detrimental to the lives of those most vulnerable individuals/households in our district.
- 2.5 The current homelessness prevention contractor has been successful in meeting the outputs in the contract. Officers consider that the contract was fit for purpose at the time and has helped to embed the “prevention” model firmly in the way the Council and other statutory and voluntary partners deliver homelessness services currently.
- 2.6 However, over the last 3 years there have been changes, not least the financial pressures due to the Government’s spending review. This means that it is necessary to review how the Council delivers homelessness prevention services. In particular we need to assess whether there is a more cost effective way of achieving the outcomes
- 2.7 The development of the Housing Options Services, Choice Based Lettings, and the end of the LSP funded worklessness project in March 2012, gives an opportunity to consider joining up these elements more closely with the homelessness prevention work. The prevention contract work could be delivered as an element of an enhanced housing options service, either managed in house within the housing options team, or tendered to a third party working alongside the housing options team.
- 2.8 The Enhanced Housing Approach will enable the provider to deliver more detailed assessments to link in to specialist services e.g. drug and alcohol and financial assessments to assist with support into training, volunteering and job opportunities. This will build on the success of the Housing Options approach and extend the services already provided to include action to address worklessness. In this way, when the LSP funded worklessness project comes to an end, some of the best practice could be incorporated into the housing options/homeless prevention work.
- 2.9 In reviewing the options for future delivery of the Homelessness Prevention contract, officers are of the opinion that the prevention work necessary can be delivered for less than it is currently costing but achieving the same outcomes (i.e. an efficiency saving). This can be achieved by having 2 full time dedicated officers working alongside the Housing Options team. This would cost approximately £50k as opposed to the current contract cost of £88.5K.

2.10 If Cabinet agrees to the continuation of the homelessness prevention contract work on the above basis, then this will result in a recurring saving of approximately £35K.

3.0 Details of Consultation

3.1 The prevention approach is widely supported by statutory and voluntary agency partners. The voluntary sector is aware that the current Homelessness Prevention contract is due to expire on 31 March 2012 and is supportive of a continuation of funding to deliver prevention services. This has been discussed at the homelessness forum. They have not been consulted on the detail of this report.

4.0 Options and Options Analysis (including risk assessment)

	Option 1: Deliver the Homeless Prevention service in house as part of the “Enhanced Housing Options” service at a reduced cost	Option 2: Re-tender a revised Homeless Prevention Contract on the same basis as if the Council would deliver the service in house.	Option 3: Discontinue the Homelessness Prevention Service Contract and deliver its statutory homelessness function only.
Advantages	Staff expertise and established links with agencies. Cost efficiencies with joined up delivery with Housing Options service. Homeless Prevention initiatives would be embedded within Homelessness service. Maintain the current levels of homelessness presentations and continue to reduce use of temporary accommodation. Added value to incorporate outcomes for training, volunteering and employment. (worklessness).	Allows some funding to go to third sector. Contractor would be responsible for admin/staffing issues.	An initial financial saving of £88,500.

	Option 1: Deliver the Homeless Prevention service in house as part of the “Enhanced Housing Options” service at a reduced cost	Option 2: Re-tender a revised Homeless Prevention Contract on the same basis as if the Council would deliver the service in house.	Option 3: Discontinue the Homelessness contract and prevention service and resume the delivery of its statutory homelessness function only.
Disadvantages	Possible delays with recruitment of staff – possible gap in service delivery.	May not achieve efficiencies linked with housing options team. May not have skills/capacity to deal with worklessness issues. Further cost of tendering exercise.	Increase in statutory homelessness presentations and placements in to temporary accommodation. Vulnerable households will experience more disruption and poorer service.
Risks	Voluntary sector signposting all housing/ homelessness enquiries to the City Council.	May not be an attractive contract and contract value so may be few suitable tenders.	This option would have long term budget implications and increased administration.

5.0 Officer Preferred Option (and comments)

The preferred Option is Option 1. This would enable the council to build on the housing options model and achieve efficiencies.

6.0 Conclusion

- 6.1 If Members decide to continue to make available the resources to continue the prevention of homelessness as a strategic priority as outlined in the district’s Homelessness Strategy 2008-13, this will help ensure that the current levels of statutory homeless presentations are maintained. It will also continue to improve the housing outcomes of our most vulnerable citizens and facilitate an integrated partnership approach to homeless prevention.

RELATIONSHIP TO POLICY FRAMEWORK

Homelessness Strategy 2008-2013. The Homeless Prevention Contract contributes towards meeting the identified priorities within action 5 Prevention of Homelessness Through, Timely Advice, Intervention and Support.

Corporate plan priorities – Economic Regeneration (housing regeneration) statutory responsibilities and also meets the intention to protect the most vulnerable which underpins all the priorities.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

The Homeless Prevention Contract has assisted those who are most vulnerable by providing timely advice, intervention and support by assisting single households and families retain their existing accommodation or by sourcing suitable alternative accommodation. Homeless Prevention is targeted at those who are both vulnerable and socially excluded. Homeless prevention also contributes to social cohesion and sustainable communities.

LEGAL IMPLICATIONS

The Equality Act 2010 (section 149) places a duty on local authorities (including the Council) to have 'due regard' to the need to advance equality of opportunity between person who share a relevant protected characteristic and equality generally. Homelessness affects persons with protected characteristic more so than those without such characteristics. The options set out in this report may affect persons who share a relevant protected characteristic. This is made clear in the CLG's guidance 'Localism Bill: discharging the main homelessness duty'. This publication states that:

"Sixty-eight per cent of homeless acceptances in 2009-10 were households with dependent children or which included a pregnant woman. Forty-five per cent of homeless acceptances were lone parent households with a female applicant and a further 12 per cent were single female applicants. Seven per cent of homeless acceptances in 2009-10 had priority need because of their young age (16-17 year olds and 18-20 year old care leavers). In addition, 14 per cent of homeless acceptances in 2009-10 had priority need because of their physical disability or mental illness. Fourteen per cent of homeless acceptances in 2009-10 were black or black British; 7 per cent were Asian or Asian British; 3 per cent mixed; and 4 per cent Chinese or other.

The priority given to certain groups of young people and people who are disabled or mentally ill (who are considered most vulnerable and likely to suffer hardship if not secured accommodation), combined with the fact that households that include a pregnant woman or a dependant child are considered to have a priority need for accommodation under the homelessness legislation, means that women, pregnant women, young people and children, and disabled people are more likely to be affected by any change in the way that the main homelessness duty can be fully discharged. People from black and minority ethnic communities are also more likely to be affected because they are over-represented among homeless acceptances (compared to the general population)."

Hence, if the Council was minded to reduce the amount of money spent on homelessness prevention (option 3) this may disproportionately affect disabled persons, certain races, young people, women with dependant children, pregnant women more so than persons that do not share these characteristics.

As ceasing or limiting the Council's preventive approach could affect persons with a protected characteristic the Council should consider its duty of promoting equality amongst these protected groups when making its decision. It should consider how the decision may affect such a class of persons and whether any detrimental impact can be mitigated or removed.

A contemporaneous written record should be made and kept to demonstrate that due regard has been given.

Should option 2 be chosen, the Council's Legal Services Department would assist in the drafting of the Service Level Agreement/Contract.

FINANCIAL IMPLICATIONS

The General Fund includes a budget in respect of the Homelessness Provision Contract which amounts to £88,500 for all years. The following financial implication will need to be considered for each of the options contained within this report.

Option 1: Deliver the Homeless Prevention Contract in House as part of the "Enhanced Housing Options"

If this option is approved, two new posts at Grade 3 would be created to join the existing Housing Options Team to form an enhanced Housing Options Service Team. The costs of the two new staff are shown in the table below and the savings expected to be delivered are 2012/13 of 38,000, 2013/14 £36,700 and 2014/15 £34,800.

	2012/13	2013/14	2014/15
	£	£	£
Homelessness Contract Budget	88,500	88,500	88,500
Estimated Costs			
Employee Costs	48,800	50,100	51,700
Transport Related Expenditure	1,000	1,000	1,100
Supplies and Services	700	700	900
Estimated Total Cost	50,500	51,800	53,700
Deficit/(Saving)	(38,000)	(36,700)	(34,800)

Option 2: Re-tender a revised and reduced Homeless Prevention Contract on the same basis as if the council would deliver the service in house.

If this option is approved this may result in savings but the level of savings would be dependant upon the tender process and whether any potential bids would be forthcoming at the lower contract sum.

Option 3: Discontinue the Homelessness Prevention Contract and deliver its statutory homelessness function only.

If this option is approved then initially this may create a saving of around £88K per year but this will need to be offset against any potential increase in statutory homelessness temporary accommodation and administration costs. This would need further consideration as part of the budget process.

OTHER RESOURCE IMPLICATIONS**Human Resources**

There are potential HR implications if the service is delivered in house as in Option 1. Normally due to the provisions within the Transfer of Undertaking (Protection of Employment) Regulations 2006 (TUPE) any employee engaged in the delivery of a service which is transferred would also form part of the transfer. However, due to the contractual arrangements which are understood to be in place at the current provider, no employees will be assigned to the transfer.

Information Services:

None

Property:

None

Open Spaces:

None

SECTION 151 OFFICER'S COMMENTS

Cabinet is advised to consider these proposals in context of its priorities but also in view of the need to make ongoing budget savings

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

Homelessness Strategy 2008-2013

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