

# WIRRAL COUNCIL

## CABINET

7<sup>TH</sup> NOVEMBER 2013

<b>SUBJECT:</b>	<b><i>EMERGENCY ACCOMMODATION PROVISION FOR 16 &amp; 17 YEAR OLDS</i></b>
<b>WARD/S AFFECTED:</b>	<b><i>ALL</i></b>
<b>REPORT OF:</b>	<b><i>KEVIN ADDERLEY STRATEGIC DIRECTOR – REGENERATION &amp; ENVIRONMENT</i></b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b><i>CLLR. GEORGE DAVIES PORTFOLIO HOLDER – HOUSING AND COMMUNITY SAFETY</i></b>
<b>KEY DECISION</b>	<b>NO</b>

### 1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek Members approval to commission, on a pilot basis, an emergency accommodation service for homeless 16 and 17 year olds, where there is an assessed need and this is the most appropriate accommodation.
- 1.2 The Children's and Young Peoples Department (CYPD), when presented with a 16/17 year old that is homeless and unable to safely remain with family and friends, have a statutory duty to secure appropriate accommodation for the young person. Currently, when emergency accommodation is required, a bed-space will be procured on an individual spot-purchase basis.
- 1.3 The proposed emergency accommodation service will be funded through a combination of Supporting People Programme Grant (SP) and Housing Benefit (HB). The 100% subsidy by Central Government attracted by HB, will represent a saving against the current spot-purchase method of obtaining this type of accommodation for young people.
- 1.4 This report includes an appendix containing specific financial information relating to this proposal. Due to the commercial sensitivity of this information, and the potential for the disclosure of this information to disadvantage the Council in any future tendering exercise, it is considered that the appendix should be considered exempt by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 It is recognised that it is in the best interests of most young people aged 16-17 to live in the family home or with responsible adults within their wider family network. Unfortunately, there will be occasions where it is untenable for the young person to do this and resultantly they become at risk of becoming homeless.

- 2.2 The Homeless Review conducted in 2012 identified that homelessness amongst young people appears to be rising. It is believed that this increase can be attributable to pressures on the family and relationships from factors such as reduced household income arising from the economic downturn. It was also noted that the issues and needs that young people are presenting with have grown more complex. This is particularly prevalent in relation to offending behaviour, substance misuse and mental health, and that to address these issues, requires more input and/or different responses than the Council and its partners are currently providing.
- 2.3 The review acknowledged that there has been success in preventing homelessness amongst 16 and 17 year olds but considered that appropriate emergency accommodation for this cohort represented a gap in Wirral's current configuration of service provision.
- 2.4 In Wirral, where a young person aged 16-17 presents as being homeless or threatened with homelessness (e.g. staying temporarily in accommodation or with friends and family) they are referred to CYPD (Response) who will act as a single point of contact and will take responsibility for completing an initial interview. If it is clear that early intervention approaches are not able to resolve the issue then a social work assessment is completed.
- 2.5 Currently, when a 16/17 year old is assessed as at risk of homelessness, accommodation may be provided in the form of a placement in care or supported accommodation. Supported accommodation is currently purchased as required i.e. A spot-purchase arrangement.
- 2.6 There is a significant cost to the CYPD budget associated in placing 16 and 17 year olds on this basis. The average weekly cost is £685 per person and it is not unusual for young people to remain in this type of accommodation for upward of 8 weeks depending on their level of need. At the time of writing this report there were 16 young people aged 16 / 17 years old who were homeless requiring spot purchased accommodation.
- 2.7 Discussions have taken place between Officers from the Regeneration and Environment and CYP Departments to explore alternative methods of commissioning emergency accommodation services for 16 and 17 year olds which deliver greater value-for-money than current arrangements, by using a combination of different funding streams.
- 2.8 The proposed service is intended to provide up to 6 young people aged 16/17 with safe and secure emergency accommodation and access to advice and help for a short period, this will assist Council Officers with the resolution of the crisis which led to the young person seeking assistance and / or the reconciliation of the young person with family or carers. Although certain functions such as family mediation are the responsibility of CYPD, the service will complement these tasks by focussing on providing tenancy sustainment skills or 'Life skills', emotional support and support in accessing education, employment and training. It is expected that these opportunities will be maximised for young people by the Service Provider working in partnership with CYPD and other specialist agencies.
- 2.9 The service will provide eligible applicants with a room to themselves, the opportunity to have a bath/shower, a hot meal in the evening and breakfast the following morning and access to laundry facilities.

- 2.10 The service will offer flexibility in response to the needs of the Clients which includes recognition that the support needs of Clients will not conform to a standard working day and may require support outside of these core hours. Therefore, the service will provide 24-hour staffing in recognition of the nature of the client group, enabling access for young people at any time of the day or night.
- 2.11 The number of units (bed-spaces) has been agreed with representatives from CYPD based on the preference for services which attempt to replicate a homely environment for the young person. In determining the number of units, previous utilisation levels have also been considered which indicate the need for a minimum of 6 units which would equate to an annual cost of £213,720 under the current spot purchase arrangement, but under the proposed service there would be an estimated saving of approximately £94,500 per annum.
- 2.12 The service will be delivered on a pilot basis for a period of 2 years. During this time, a working group comprising Officers from CYPD and Regeneration and Environment, as well as representatives from the organisation commissioned to deliver the service will meet on a regular basis to provide oversight of this project.
- 2.12 The service will be subject to scrutiny under the Supporting People Quality Assessment Framework (QAF). This framework has been a key tool for Supporting People and housing related support services and sets out the standards expected in the delivery of Supporting People services.
- 2.13 The proposed Provider selected to deliver this pilot service is Your Housing Group (YHG) formerly Arena Housing. Members will be aware that this will be subject to the approval of the YHG Executive Group and Board.
- 2.14 YHG has been selected on the basis that:
- 2.14.1 They have a proven track record of delivering similar services in other areas;
  - 2.14.2 As they are both a Housing Association as well as a provider of supported housing services, they have the necessary infrastructure to refurbish the property to an appropriate standard and within a shortened timeframe at no direct cost to the Council.
  - 2.14.3 They have successfully held a contract with the Council for the delivery of related services for the last 9 years;
  - 2.14.4 They are currently delivering supported housing provision in the Borough and can therefore achieve financial efficiencies by sharing service-delivery functions across their various services;
  - 2.14.5 Through their work on Wirral, they already have existing links with relevant services and, critically, are able to facilitate access to general-needs housing for those young people assessed as ready to live independently.
- 2.15 It is intended that the service will be located on Manor Road, Wallasey. The proposed property is currently owned by the Councils Department of Adult Social Services and under the auspices of the Asset Management Division. The property had originally been earmarked for disposal through auction but this has been placed in abeyance since its alternative use will secure improved services and greater value for money for the

Council. Both Departments have given their assent for the property to be used for the provision of this service.

- 2.16 The Council will lease the property to YHG for the duration of the pilot. Upon the cessation of this service, the property will revert back to the Council.
- 2.17 The property is currently configured with five bedrooms, however it is intended that a downstairs room will be converted into a sixth bedroom, thus enabling six young people to be resident at any given time.
- 2.18 The property will require refurbishment to bring it up to standard and this will be carried out by the Estates Division of YHG who estimate that the refurbishment would take 4-6 weeks for completion. YHG have provided a breakdown of proposed refurbishments which includes a new kitchen and bathrooms/shower units. All costs associated with the refurbishment will be met by YHG who have identified that the overall approximate cost of refurbishment will be £23,000. All proposed changes will be submitted to the Asset Management Division for approval, prior to any commencement of work.
- 2.19 As the recouping of refurbishment costs is permissible under the HB legislation, YHG will, over the period of this pilot, recoup the costs incurred from their completion of this improvement work. The Council will however benefit from this remedial work, as the intrinsic value of the property will increase.
- 2.20 In the event that approval is given for the development of this service, then it is envisaged that it would commence operation in January 2014, which would further assist the Council in achieving efficiencies within this financial year.

### **3.0 RELEVANT RISKS**

- 3.1 A delay in developing alternative emergency accommodation provision would result in further costs to the Council, arising from the continued use of spot-purchase arrangements.
- 3.2 Any unforeseen problems associated with the refurbishment of the property may result in delays.
- 3.3 Entitlement to Housing Benefit is an area that is subject to change and continues to be examined nationally as part of the Welfare Reform agenda. Future changes to entitlement for this group of young people may impact on the ability to reduce costs. However it is likely that this type of provision will continue to be required. Any benefit changes would be taken into account as part of the review of the pilot.

### **4.0 OTHER OPTIONS CONSIDERED**

- 4.1 There were no other options considered.

### **5.0 CONSULTATION**

- 5.1 Consultation between the Regeneration & Environment and Children and Young People's Department has been ongoing through the development of this proposal.
- 5.2 If this pilot project is approved, then YHG will undertake consultation with the residents of Manor Road in order to explain the nature of the service and provide a point-of-contact in the event of any concerns.

## **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

6.1 In the event that it is determined to continue this provision beyond the initial period of the pilot, then a competitive procurement exercise will be carried out which will be open to all organisations in the voluntary, community and faith sectors.

## **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

7.1 The revenue implications are as set out in the Appendix, and indicate a cost reduction of £94,748 pa if the facility is fully occupied.

7.2 The implications in regard to council assets are described earlier in this report. The Council would over the life of the scheme forego a capital receipt. However this is more than offset by the reduction in revenue costs. Over the life of the pilot these are estimated to exceed the indicative property value. The payback of a 12 – 15 month period is very favourable.

7.3 There are no additional IT and Staffing implications

7.4 The service will be funded from the following sources:

### **7.5 Supporting People Programme Grant**

7.5.1 The Supporting People Programme, administered through the Regeneration and Environment Department, is intended to maximise an individual's capacity to develop and/or maintain independence through the provision of housing-related support services.

7.5.2 The Supporting People Team will administer the contract for the delivery of this service, on behalf of the Council.

7.5.3 The value of the contract will be met within the Supporting People budget allocation, details of the contract value can be found in Appendix 1

### **7.6 Housing Benefit**

7.6.1 Currently, with the exception of care leavers there are no special rules preventing a 16-19 year old who is liable for rent from claiming Housing Benefit.

7.6.2 Officers from the Departments of Finance and Regeneration and Environment have held regular meetings regarding the housing costs associated with the delivery of this service, to ensure compliance with HB legislation.

7.6.3 There will be no cost implication to the Council arising from the use of HB, as HB costs are fully reclaimed by the Council from the Department of Works and Pensions, an estimated cost of Housing Benefits can be found in Appendix 1.

7.6.4 In respect of Council Tax, 100% exemption would apply if the property is occupied entirely by young persons under the age of 18 and in this case there would be no Council Tax charge applicable.

## **8.0 LEGAL IMPLICATIONS**

- 8.1 Legal and Member Services have determined that Supporting People services are provided as Part B as they maintain clients' health and well being by assisting them to remain independent within the community. Therefore there is no legal requirement to undertake a formal competitive tender for the commissioning of this service under the European Procurement Rules.
- 8.2 The Council's current Contract Procedure Rules (paragraphs 21.1.1(v)) enable a contract to be negotiated without inviting tenders if the Cabinet believes it is in the interests of the Council to do so and it represents value for money. Under the new contract procedural rules E120 applies but the requirements are the same.
- 8.3 It is however intended that, assuming efficacy of the service and member approval, the service will be put to competitive tender at the conclusion of the pilot.
- 8.4 The Council will lease the property at Manor Road, Wallasey through a formal lease agreement, approved by Legal and Member Services.
- 8.5 For the duration of the lease, the lessee (YHG) will be responsible for the issuing of appropriate occupancy agreements to the young people accommodated within the service. The Provider will issue all residents with a 'License', which is the standard form of occupancy agreement used in supported housing services.
- 8.6 The delivery of this pilot service will be subject to the terms and conditions of the standard Supporting People contract.

## **9.0 EQUALITIES IMPLICATIONS**

- 9.1 Children who are at risk of becoming homeless may be assessed as needing to be looked after. Children in Care may be vulnerable young people who require additional support when leaving care. The Care Planning regulations are designed to ensure care leavers are given the same level of care and support that their peers would expect from a reasonable parent and that they are provided with the opportunities and chances needed to help them move successfully to adulthood.
- 9.2 The Provider will be required to demonstrate compliance with the Supporting People Quality Assessment Framework which requires that they:
  - 9.2.1 Embed fair access, fair exit, diversity and inclusion policies within the culture of the service and that they can evidence demonstrable promotion and implementation of these policies.
  - 9.2.2 Review their assessment and allocations processes on a regular basis to ensure fair access to the service.
  - 9.2.3 Demonstrate a commitment to ensuring fair exit from the service.

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/regeneration-housing-planning>

## **10.0 CARBON REDUCTION IMPLICATIONS**

- 10.1 There is no carbon reduction implications associated with this proposal.

## 11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 Planning permission was granted for a change of use of the property from a dwelling house to use as a communal residence for the elderly in 1984. In granting planning permission, a planning condition was imposed restricting the use as accommodation for the elderly. As such, planning permission would be required for the use proposed. The Unitary Development Plan includes the premises within a designated Primarily Residential Area - a care use is acceptable in principle in such locations, subject to Policy HS8: Residential Care Homes.

## 12.0 RECOMMENDATION/S

12.1 That Cabinet approve the commissioning of emergency accommodation for homeless 16 and 17 years olds on a two year pilot basis as set out earlier in this report in accordance with paragraph 21.1.1(v) of the Contract Procedure Rules the requirements of which are met (E120 new contract procedural rules).

## 13.0 REASON/S FOR RECOMMENDATION/S

13.1 The proposed service will represent a significant cost-saving against current methods of procuring emergency accommodation bed-spaces for 16 and 17 year olds.

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## APPENDICES

Appendix 1 - Financial Details

## REFERENCE MATERIAL

## SUBJECT HISTORY (last 3 years)

Council Meeting	Date