

Subject:	Hostels and Homeless Provision		
Date of Meeting:	4 December 2014		
Report of:	Executive Director of Adult Services		
Contact Officer:	Name:	Richard Denyer-Bewick	Tel: 296370
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Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 Housing Related Support (formerly Supporting People) contracts for homelessness are due to end on 31st March 2015. In the plan to re-commission services, 2015/16 will be a transitional year with multiple service reviews and phased retendering processes. This will include street outreach for people rough sleeping, hostel accommodation and floating support services. The current model is called the Integrated Support Pathway and has been operating for approximately 10 years.
- 1.2 A range of directly provided (in house) council services contribute to this delivery model. There are three Council run hostel services: Glenwood Lodge Project (GLP), New Steine Mews (NSM) and West Pier Project (WPP). GLP and WPP premises are leased buildings and leases are due to expire in April and May 2015 respectively. A decision needs to be made as to how to proceed with delivery of these services beyond the end of the leases and into the transitional period where homelessness services are being reviewed and retendered.

2. RECOMMENDATIONS:

- 2.1 That the Committee note the contents of the report and agree to continue to operate in-house hostels, while the whole system review of the supported housing Integrated Support Pathway is undertaken and future service delivery options are developed.
- 2.2 That the Committee agree in principle to entering into leases for Glenwood Lodge Project and West Pier Project from April / May 2015, with break clauses not exceeding five years.
- 2.3 That the Committee agrees to delegate authority to the Executive Director of Adult Services to negotiate and enter into new leases with premises' landlords following consultation with the Executive Directors of Environment, Development & Housing and Finance & Resources and the Monitoring Officer.

3. CONTEXT/ BACKGROUND INFORMATION

Integrated Support Pathway (ISP):

- 3.1 The ISP is a range of commissioned services for people who are homeless or require housing related support. The majority of people using these services are 'single homeless' people who the local authority has no statutory duty to house, but for whom without support, may become street homeless or as a result access statutory services (Social Care, Health and Police). The ISP is the current model for single homeless people in the city and provides support throughout an individual's progress, from street homelessness through to independent living.
- 3.2 There are five Bands within the Pathway. Band 1 is street based outreach and emergency accommodation services; Band 2 is 24hr staffed hostels for people with high support needs; Band 3 is Accommodation with lower level floating support; Bands 4 and 5 offer drop in, floating support, peer support and crisis intervention services to people who are living independently. A review and remodelling of these services is underway, with commissioners from Housing, Social Care, Public Health, Children's Services and the CCG collectively working on future delivery options for the city and considering the future financial constraints of Council budgets. The Council directly provides some of the ISP model as in house services.
- 3.3 Three of the seven Band 2 hostels are Council run with the others being commissioned and contracted in the independent sector through the charities BHT, Riverside ECHG and Brighton YMCA. There are currently 288 units of accommodation provided in Band 2, of which GLP provides 46, NSM provides 24 and WPP provides 16 beds – a total of 86 beds and approximately 30% of the total Band 2 provision. WPP provides additional beds for Mental Health services outside of the ISP (see 3.5).
- 3.4 GLP specialises in supporting clients with a forensic history who have been referred via the Probation service. WPP specialises in mental health support for clients referred via Sussex Partnership NHS Foundation Trust (SPFT). NSM specialises in supporting multiple complex needs clients, sometimes requiring additional social care and health support. All services accommodate people with a history of rough sleeping.

Mental Health Pathway:

- 3.5 WPP provides 25 beds for the Mental Health Supported Accommodation Pathway (MHSAP), totalling 41 beds in this service. The MHSAP was recently reviewed and jointly commissioned through Housing Related Support, Community Care and Clinical Commissioning Group (CCG) budgets. The CCG and SPFT are key stakeholders in any decisions relating to WPP. WPP receives a contribution towards the costs of rental for the 25 mental health pathway beds of £145,000 per annum from the Community Care budget.

Governance:

- 3.6 Management of in house hostels was formally transferred from Housing to Adult Social Care under a change of Scheme of Delegation at the 16th October 2014 Policy & Resources Committee. The Housing Commissioning Team, which currently commissions hostel provision, was also transferred under the same change. This was due to an increase in the complexity of client needs in the in house hostels and a decision that they would benefit from greater oversight from and integration with Adult Social Care management and professional support.

Increased Complexity of Homeless Clients:

- 3.7 There are significant challenges associated with providing services to people who have multiple complex needs including people with forensic history (ex offenders), chronic alcohol and / or substance misuse, a history of entrenched rough sleeping and mental ill health. It is widely acknowledged both across the UK and particularly in Brighton and Hove that the needs of homeless clients are increasing, particularly in relation to health (See Appendix 2).
- 3.8 There is a higher risk of drug related overdose and mortality within this client group compared to the wider population. Workers are trained to assist in prevention and response to this risk, but it is not always possible to eliminate entirely. In the last seven years where unexpected deaths have regrettably occurred, any resulting coroner's inquests have not required the Council to make improvement actions under a Prevention of Future Deaths Report (previously Rule 43) and in some cases the coroner has commended the Council and hostel staff on their preventative and responsive action.

New Steine Mews Better Care Pilot:

- 3.9 As part of the Better Care programme Homelessness workstream, New Steine Mews hostel has been identified as a pilot site for Personal Health Budgets. This recognises the increased complex physical health needs of this client group. Plans are underway to develop the pilot model with oversight from the Homeless Integrated Health & Care Board. The aim is to improve health and social care outcomes for homeless clients in this service and to learn lessons to inform the wider roll out of an integrated model.

Hostel Premises and Leases:

- 3.10 West Pier Project operates from two adjoining buildings in Regency Square. All buildings are leased together from a private landlord; the lease expires in May 2015. The current lease was entered into in 2005 and is subject to an annual increase of 7%. The current lease price is £559,500 and will increase to approx. £598,600 during 2015/16 until the lease is ended. The current budget for rental is £491,000 per annum. As the annual rent increase is above the inflation assumption within the budget this has resulted in a pressure this year of £60,000.
- 3.11 Glenwood Lodge Project operates from four buildings and one flat in Grand Parade, central Brighton. All buildings are leased together from a private landlord. The lease was entered into in 2005 and the current price is £179,800.

The current budget for rental is £144,800 per annum. There is a pressure in 2014/15 of £35,000 to the end of March 2015 on the lease costs.

- 3.12 The impact of renegotiating leases for WPP/GLP is that preferential rates could be agreed that overall would be cheaper than the current arrangements, particularly in reference to the annual increases for WPP. While signing leases may achieve better rent rates in the short term, flexibility is reduced and the Council would be tied to the terms of any lease and the use of the premises for a further period of five years. There will also be stamp duty to register a lease of this length.
- 3.13 New Steine Mews is a Council owned building, purpose built in the 1990s to be a flagship hostel service. There is no lease and therefore no rental costs, however the service has not benefitted from a capital or planned improvement programme, meaning the building could benefit from refurbishment or redesign.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 **Do Nothing:** As an alternative to renegotiating longer term leases at WPP and GLP, the Council could choose to do nothing. The landlords may allow the Council to continue using the buildings, which would allow further time for consideration of future delivery options for services and exploration of any opportunities to use a different range of cheaper or better quality premises. While this option maintains flexibility, the current leases set out the rate to be paid if the properties are not handed back; after a certain time the rates escalate and this is likely to be costly and place a significant budget pressure across the hostel services. There is additional risk that landlords may not wish to allow the council's continued use of the buildings. This could lead to the requirement for the Council to give landlords vacant possession of the buildings, close services and / or re-provide them from alternative locations – the options for sourcing alternative accommodation within these timescales are limited.
- 4.2 **Transfer Services:** There is no requirement for the council to operate its own hostel provision and it might be considered an option to investigate the possibility to transfer provision of all or some of these services to the independent sector through a tender process, as is the case with other hostels commissioned by the local authority. There are no current plans to do this but the option may provide future savings for the authority and could present opportunities to operate the services in different locations or buildings. A full business case would need to be developed in consultation with staff and unions and in accordance with the Council's agreed Change Management procedures. Key stakeholders such as the CCG, SPFT and Public Health would need to be consulted. The better option is to undertake the full review of homelessness services provision in the ISP before making decisions on the future delivery options for in house services.
- 4.3 **Close Services:** Hostel provision itself is a non-statutory function of the local authority so the council could choose to stop delivering these services. However hostels do provide accommodation for some people to whom the council may owe a statutory housing duty; therefore hostels support the effective delivery of a separate statutory function. They also provide an essential accommodation route for rough sleepers and other vulnerable people; hostel provision for the city is an essential part of the current Integrated Support Pathway model, supported

by the city's Homelessness Strategy 2014-19. There would be significant crime and disorder implications arising from any decision to reduce hostel provision in the city, including an increase in rough sleeping and associated Anti Social Behaviour. There are implications for members of the public, for tourism and local business with any increase in numbers of people sleeping rough in the city, which would have parallel increases in crime and disorder and antisocial behaviour.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The CCG and SPFT were consulted on the proposal to extend the leases and indicated support of any option which secures the continuity of care for clients receiving a service through WPP and the sustaining of provision as part of the Mental Health Supported Accommodation Pathway.
- 5.2 The National Probation Service were consulted in relation to the service at GLP, also indicating that they would advocate any option that maintained continuity of support and the accommodation pathways for their client group.
- 5.3 Recent consultation with homeless provider services including directly provided hostels was undertaken as part of the Homeless Health Needs Audit 2014 and the Homelessness Overview & Scrutiny Report 2013/14 (See Appendix 1 and 2 - documents in members' rooms).

6. CONCLUSION

- 6.1 There is no other reasonable option but to enter into leases for WPP and GLP while the wider review of homelessness services is undertaken. This plan is felt to be feasible and practically achievable before the end of the financial year. Operating outside of long term leases would be a significant cost pressure for 2015/16. A full review of in house hostel services will take a significant amount of time and resource and is unlikely to be complete before the leases expire. It is proposed that the focus be on reviewing the ISP model during 2015 to ensure this is fit for purpose and to commission services after this review is completed.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The combined 2014/15 gross budget for the 3 directly run in-house hostels is £2.532m. The service is funded by housing benefits of £1.037m, client contributions of £0.107m, a contribution from Sussex Partnership Foundation NHS Trust of £0.145m, with the remainder of £1.243m funded by the council. There are 111 beds available across all 3 directly run in-house hostels at a budgeted cost of £437 per bed per week.
- 7.2 The current lease at the West Pier Project has an annual increase of 7%, as identified in the body of the report, which results in an above inflation pressure of approximately £0.060m per annum. The Glenwood Lodge Project also has a pressure on rental costs of approximately £0.035. Steps have been put in place to mitigate these pressures in the current year through management of the staffing, supplies and services budgets.

- 7.3 The renegotiation of the leases will provide certainty for the service and enable a strategy for managing within the budget until the full services review is completed which is expected to provide improved value for money.

Finance Officer Consulted: Anne Silley

Date: 17/11/14

Legal Implications:

- 7.4 Entering into leases for both WPP and CLP will create an interest in the land in the council's favour. Under the council's constitution, decisions on the acquisition of an interest in land must be referred to Policy & Resources for determination. The Committee is therefore empowered to agree the recommendations at paragraphs 2.2 and 2.3. The Monitoring Officer's involvement in agreeing the terms of the new leases will ensure that the council's interests are properly protected.

Lawyer Consulted: Liz Woodley

Date: 05/11/14

Equalities Implications:

- 7.5 The current in-house hostels have undertaken Equalities Impact Assessments. Any future proposed changes to the services would trigger a review of these.
- 7.6 People who are homeless or rough sleeping often have multiple complex needs and can suffer multiple exclusions from mainstream services. There is a high prevalence of mental ill health and a national evidence base which demonstrates that people who are homeless generally have more difficulty accessing health and social care services. The life expectancy for someone who is rough sleeping is 47 compared to 77 in the general population.

Sustainability implications:

- 7.7 Future options for provision of hostel services should consider best use of resources and value for money in operating from the current buildings stock. Large, ageing buildings such as WPP and GLP which have not been purpose built present significant issues in heating, lighting, power and energy conservation. Owing to the layout of the buildings a high number of safety management systems need to be in place in order to operate a safe service, which can be labour intensive for staff.

Any Other Significant Implications:

- 7.8 Regency Square is a popular residential and tourist area with a central park and a number of boutique hotels. Some residents and businesses feel that the service should not be located in Regency Square and that its presence has a negative impact on the community. WPP has made links with local businesses and residents to improve relationships and address any concerns raised by members of the public regarding any service issues.
- 7.9 The 2014 Overview & Scrutiny Report on Homelessness made a recommendation that "the council needs to take action to diversify its 'stock' of

hostel accommodation, seeking to spread hostels more evenly across the city, and to offer a range of accommodation options in terms of hostel size and the level of support on offer” (see Appendix 1).

- 7.10 Over the last four years there has been an unprecedented rise in homelessness, resulting in a greater number of people rough sleeping in Brighton and Hove for longer periods of time before accommodation is available. There is currently a list of approximately 120 people waiting for Band 2 accommodation, of which approximately 60 are street homeless.
- 7.11 This report further highlights that increasing numbers of homeless people, rough sleepers, hostel residents and people in temporary accommodation have complex and multiple needs, relating to mental health, substance misuse, learning disabilities, physical health and social care needs. People who sleep rough, which may include prison leavers, are vulnerable to violence, abuse and injury while living on the streets and have higher levels of need than the general population in terms of physical health, mental health and substance misuse, and put significant increased pressure on health services, including presentations at A&E.

SUPPORTING DOCUMENTATION

Appendices:

None

Documents in Members' Rooms:

1: Overview & Scrutiny Panel Report 2014 - Homelessness

2: Brighton & Hove Homeless Health Needs Audit 2014

Background Documents:

None