

	<b>REPORT TO CABINET TO BE HELD ON 16 MARCH 2021</b>
	<b>Key Decision</b> <b>YES</b>  <b>Forward Plan Ref No</b>
<b>Corporate Aims People/Place</b>	<b>Cabinet Portfolio Holder</b> <b>Cllr Carl Maw Portfolio Holder for Stronger Communities &amp; Housing</b>

**REPORT OF: DIRECTOR (NE) – 21/48**

**WARDS AFFECTED: ALL**

**SUBJECT: Housing First Partnership with North Yorkshire County Council, Tees Esk and Wear Valley NHS Foundation Trust and Beyond Housing and extension of accommodation contract with Wheelhouse ventures**

**RECOMMENDATION (S):**

1. The Council agrees to enter into new partnership arrangements with North Yorkshire County Council (NYCC), Tees Esk and Wear Valley NHS Foundation Trust (TEWV) and Beyond Housing to support the delivery of a new Housing First model for rough sleepers within the Borough.
2. Agrees to extend the contract with Wheelhouse ventures to provide hotel rooms to accommodate homeless people and rough sleepers for a further period of 6 months. Based on current and projected levels of demand costs associated with this extension will be in the region of £282K.
3. Give delegated authority to the Director (NE) to agree to further extensions with Wheelhouse Ventures as needed in consultation with the Portfolio holder.

4. Note the projected cost increase of B&B provision (£58k) in 2021/22. These costs are a result of an increase in homeless households from those projected in the October 2020 report (ref 20/324) and will be met through current budgets.

This report provides a follow up to the recommendations within Cabinet report 20/324 of 20 October 2020 (report ref 20/226) around the short and medium term approach the Council needs to take with partners to tackle rough sleeping. It recommends that the Council enters into new joint working arrangements with NYCC, TEWV and Beyond Housing around a 'Housing First' model and explains how these arrangements are to be funded.

The report also highlights the current situation regarding temporary accommodation usage and recommends the extension of the contract with Wheelhouse Ventures around the provision of additional accommodation for homeless people for a further 6 months.

**HIGHLIGHTED RISKS: see attached risk matrix**

## **1. INTRODUCTION**

- 1.1 In October 2020 Cabinet considered report 20/324. That report set out the implications of the COVID pandemic on homelessness issues and included recommendations around a range of actions the Council needed to take around homelessness and rough sleeping.
- 1.2 One of those recommendations was to utilise grant funding received from Government to work in partnership with NYCC to procure specialist services to meet the support and accommodation needs of rough sleepers. This report provides members with a progress update to this and recommends the Council enters into a partnership arrangement with NYCC, TEWV and Beyond Housing around a new 'Housing First Approach'.
- 1.3 The report also sets out the situation in terms of current numbers of homeless people and rough sleepers in temporary accommodation and recommends an extension of contract with Wheelhouse Ventures around the provision of additional accommodation.

## 2. CORPORATE AIMS

### 2.1 Better Homes: A good quality home for all

We will:

- Further improve our work to prevent homelessness and help vulnerable people to live independently in their homes;
- Develop additional interventions to tackle rough sleeping including additional supported accommodation.

## 3. BACKGROUND AND ISSUES

3.1 The Council has a legal obligation to provide various services to the homeless including homelessness prevention and the provision of temporary accommodation.

3.2 The Councils Homelessness Strategy 2019-23 highlights the pressure on the Council in respect of increasing demand on homelessness services and on temporary accommodation numbers. See report **19/153 of September 2019**.

<https://democracy.scarborough.gov.uk/documents/s93885/19153%20Appendix%20A%20Homeless%20Strategy%20consultation%20draft.pdf>

3.3 Issues around homelessness and rough sleeping have been amplified during the COVID-19 crisis and numbers in temporary accommodation dramatically escalated as a consequence of the Governments directives around rough sleeping and single homelessness. The implications of this were set out to Cabinet in October 2020 (**report ref 20/324**). That report sets out a range of short, medium and long term interventions the Council needs to take to tackle rough sleeping along with a medium term financial plan as to how this would be achieved.

3.4 Long term recommendations within that report included the aspiration to develop a purpose built, supported housing facility for 'high needs' vulnerable homeless people. This project is progressing and shall be subject to further reports to Cabinet. To date a joint project group with NYCC has been established, a potential site has been identified and a draft development and design specification has been developed. A more detailed needs analysis is underway and discussions are also being had with NYCC and MHCLG/ Homes England around different capital funding and procurement models. In addition the Council is also progressing with its on-going long term aspiration to work with Registered Providers (RPs) to develop more RP owned temporary accommodation (see report **20/225 of 15 December 2020**).

3.5 Progress is also being made in relation to the medium term/ interim measures as set out in report 20/324. Whilst longer term commissioning arrangements have been considered as part of this, new partnership arrangements are now proposed between the Council, NYCC, TEWV and Beyond Housing around a

Housing First Model and the creation and co-location of a new multi-disciplinary team of organisations and professionals that will meet the needs of rough sleepers in the Borough. This approach that draws in the specialisms needed and un-locks actual units of accommodation is considered by partners to be both a quicker and more effective approach than the procurement and 'commissioning' approach originally envisaged. Essentially the new model proposed differs from the original concept in that resources and staffing are being provided 'in-house' as opposed to being 'commissioned' via a contracted provider.

### **3.6 What is Housing First?**

3.6.1 Housing First is an evidence based approach to meeting the needs of 'high needs' homeless people with histories of entrenched rough sleeping and repeat homelessness. It is widely adopted across most of Europe and is becoming increasingly used within the UK. The overall philosophy of Housing First is to provide a stable, independent home for rough sleepers along with intensive personalised support and case management. There are less or no 'pre-conditions' imposed on the homeless person to access the accommodation, rather the provision of the stable accommodation is viewed as the platform on which the individual's needs shall be met. This means for example that an individual with a long standing problem with drug and alcohol addiction would not necessarily need to prove to the accommodation provider that they were on the road to recovery in advance of the accommodation being offered (as a condition of the offer), rather the accommodation is offered to provide the individual with a stable environment to assist their road to recovery.

3.6.2 The other key difference between Housing First and traditional supported housing provision is the level of support being offered to help the individual. Traditional supported housing and floating support workers have caseloads of 20-40 clients per worker. The Housing First model requires a much more intensive level of support (one worker to 5-8 clients). In addition it is recognised that tackling rough sleeping is much more than a housing issue. It requires support in particular from mental health and drug and alcohol services with further specialist support being provided from other agencies.

## **4. CONSULTATION**

4.1 Discussions have been on-going with NYCC, TEWV and Beyond Housing on the adoption of this model since November 2020 and this report recommends the Council along with its key partners adopts this approach locally

## **5. ASSESSMENT**

5.1 This report recommends the Council enters into a new partnership approach with NYCC, TEWV and Beyond Housing regarding the adoption of a new Housing First model locally.

5.2 The key elements of this partnership are:

- The agreement shall be for 3 years.
- A new multi-disciplinary team of professionals shall be established. This team shall be co-located within the Councils existing Community Impact Team. The role of this new team shall be to support and manage both rough sleepers identified with the Borough along with those accommodated by Beyond Housing under the Housing First model.
- As part of this team, the Borough Council shall continue to employ and fund a Rough Sleeping Co-ordinator. The role of this post shall be to help co-ordinate the project, ensure join up between wider agencies and the new partnership and to help identify and assess the support and accommodation needs of rough sleepers within the Borough. This post shall be funded by the Council through the use of Rough Sleeper Initiative funding from MHCLG.
- As part of this team, the Borough Council shall fund a Housing Support Worker to be employed by Beyond Housing but co-located within the Councils community impact team. The role of this post shall be to provide intensive 'housing related support' to all the individuals accommodated by Beyond Housing. This post is to be funded by the Council through the use of Next Steps Accommodation grant from MHCLG along with funds within the Councils homelessness budget that were previously utilised to pay for support within the former Changing Lives service. The costs of this post cannot be met through rental income.
- As part of the project, Beyond Housing agree to release 8 units of accommodation initially for this purpose with the option to increase to a further 8 should the project be successful. Should this happen then the onus shall be on the Council to further bolster staffing for the housing support element. Again this would be funded from the Councils existing homelessness budget or more likely through further MHCLG grant.
- As part of the team, NYCC shall work with TEWV to fund 2 specialist posts. These are a Mental Health Nurse for the homeless, funded via NYCC, employed by TEWV and seconded into the Councils Community Impact team and a Dual Diagnosis Worker, again funded via NYCC and employed by TEWV and seconded to the Council. Funding for the Mental Health Nurse for 2021/22 shall be paid for through RSI grant and from existing NYCC budgets that were formerly utilised to pay for the Changing Lives Service thereafter. Similarly the dual diagnosis worker shall be paid for by NYCC through funds that were previously used for the joint commissioning of the Changing Lives Service.
- The partnership shall be bolstered further through the ability to 'buy in' additional support where needed, for example additional mental health services. These costs shall be met by NYCC. In addition the partnership shall commit existing service providers commissioned by NYCC around drug and alcohol addiction to provide an agreed level of support and service to the project.

- The Council shall take the overall lead on the management and co-ordination of the project, including the day to day supervision of staff.
- A project Board shall be established and co-ordinated by the Council.
- An allocations protocol shall be established to determine who accesses the accommodation on offer.
- Service level agreements shall be in place between partners setting out roles and responsibilities along with the funding arrangements for the service.
- Joint operational protocols shall be adopted.
- The project may be extended by a further 8 units of accommodation going forward, Should this happen the onus would be on the Council to fund support costs, however should this happen then it is envisaged these costs would be met through further MHCLG grant.

5.3 Subject to necessary consents including Cabinet agreement it is intended that new arrangements shall be in place from Spring 2022.

5.4 Funding implications for the Council and other partners are set out in 6.3 of this report.

5.5 The provision of this service shall compliment the other measures as highlighted within **report ref 20/324** including the utilisation of Newburn House and the provision of capital funds and incentives from the Council to help unlock accommodation options for rough sleepers. It is envisaged that Newburn House shall be operational from April.

5.6 In addition to the above measures and to help compliment the Councils approach to tackling rough sleeping further additional funds are also being bid for through the Governments Rough Sleeper Initiative Programme. Should this application be successful then the Councils housing support offer for rough sleepers shall be boosted further through additional staffing capacity within its own 'in-house' support service.

#### 5.7 **Current Levels of Temporary Accommodation Use**

5.7.1 Overall numbers of homeless households accommodated by the Council in all forms of temporary accommodation remain high. As at the end of February 2021 there were 80 households in total within temporary accommodation. Of these 36 are accommodated in accommodation provided by Registered Providers (e.g. within the Councils core temporary accommodation offer). A further 44 are accommodated within hotel and B&B accommodation.

5.7.2 Cabinet shall be aware that at the beginning of the pandemic the Government issued an instruction to Councils to 'Get Everyone In'. This resulted in a significant upsurge in the number of homeless households accommodated by

the Council and this increase was replicated nationally. Whilst the Government has not extended 'Get Everyone In' or the funding paid to Council to help support this, the Minister for MHCLG Robert Jenrick nevertheless wrote to all Councils in January instructing Councils to 'redouble their efforts' and ensure offers of accommodation continue to be made to all rough sleepers.

- 5.7.3 In real terms the Councils approach to this issue has not altered. Whilst numbers in accommodation dropped off over the summer as households were successfully 'moved on' numbers have steadily increased over the winter. This is because households who are identified as sleeping rough continue to be accommodated and supported.
- 5.7.4 The Council does not have a sufficient pool of housing association owned temporary accommodation to meet demand and is therefore still reliant on utilising B&B and Hotel placements to meet its duties.
- 5.7.5 Numbers in temporary accommodation are still high and there is uncertainty going forward around the further impact of the pandemic on homelessness. The recommendation therefore is that the agreement with Wheelhouse Ventures is extended.
- 5.7.6 It is proposed that the terms of agreement remain as set out in report (**report ref 20-94 of April 2020**).
- 5.7.7 Costs associated with this extension are envisaged to be around £282K. The budget shortfalls in temporary accommodation budgets arising from COVID are continually monitored and will be picked up as part of the overall budget strategy.
- 5.7.8 In addition to the costs associated with the extension of the Wheelhouse Ventures agreement, base B&B cost estimates have been revised for the 2021/22 financial year in recognition of the increase in homeless households seen over winter. As a result, an increase in costs of £58k is projected over those assumed in the Oct 2020 update (ref 20/324).
- 5.7.9 Overall, despite increased costs associated with the provision of temporary and emergency accommodation the net impact on the Councils homelessness budget is offset through both the additional MHCLG grant funding and reduced commitments from funds formally allocated to the changing lives service. Further financial details are set out within 6.3 of this report.

## **6. IMPLICATIONS**

### **6.1 Policy**

No new implications.

### **6.2 Legal**

This report recommends the Council enters into Level Agreements around the housing first model on the terms as set out. These agreements shall confirm commitments of different partners along with funding and secondment arrangements.

### 6.3 Financial

Costs associated with the new partnership approach are primarily staffing costs. There are no growth implications for the Council. All costs associated with the project are met via MHCLG grant and or existing homelessness budgets (e.g. funds that were formerly used to support the joint commissioning of the Changing Lives Service with NYCC).

<b>Post</b>	<b>Employer</b>	<b>Cost</b>	<b>Funding Source</b>
<b>Rough Sleeper Co-ordinator</b>	<b>SBC</b>	<b>£33,000</b>	<b>SBC (funded via MHCLG grant)</b>
<b>Housing Support Worker</b>	<b>BH (seconded to Community Impact Team)</b>	<b>£47,000</b>	<b>SBC (funded via NSAP grant and existing budgets)</b>
<b>Mental Health Nurse for the Homeless</b>	<b>TEWV (seconded to Community Impact Team)</b>	<b>£67,556</b>	<b>SBC 21/22 (funded via MHCLG grant) NYCC 22/24</b>
<b>Dual Diagnosis Worker</b>	<b>TEWV (seconded to Community Impact Team)</b>	<b>£67,556</b>	<b>NYCC</b>
<b>Additional Hours – Mental Health</b>	<b>n/a</b>	<b>n/a</b>	<b>NYCC</b>

All non-staffing on-costs relating to the management of staff shall be absorbed by respective organisations.

Additional costs incurred by Beyond Housing in relation to ‘intensive housing management’, furnishing, security if needed shall be met via rents and service charges.

The Council shall continue to utilise up to £80K as set out within existing budgets to unlock accommodation options for rough sleepers.

The table below details a summary of the financial movements detailed within this report over the 3 year period of the agreement.



Description	£k
MHCLG Next steps funding received	202
Housing Support Worker (3 yrs)	(141)
Changing lives commitment within current budgets	420
Additional Temporary Accommodation costs incurred through Wheelhouse Ventures.	(282)
Additional Temporary Accommodation costs through the usage of B&B	(58)
Net impact over 3 year period	141

The financials show over the term a net benefit to council resources, primarily through the re-allocation of previously projected Changing Lives Service commitments.

The number of homeless households accommodated by the Council in all forms of temporary accommodation remain high as the Councils approach to the "Get Everyone In" instruction has not altered.

Historically surpluses arising from increased Government Funding have prudently been retained within a ring fenced Homelessness reserve in order to provide funds. This has proved extremely successful in supporting the initiatives set out within this report and previously with report ref (20/324).

This model will be retained as the Council progresses in its aim to have a sufficient pool of housing association owned temporary accommodation to meet demand, resultantly reducing its reliance on costly B&B and Hotel placements to meet its duties.

Costs associated with the extension to the Wheelhouse Ventures are based on current and projected levels of demand and that:

- Numbers in accommodation follow the patterns seen in 2020.21
- Additional 14 units come on board for Newburn House and through Beyond Housing in April to June
- A further 4 units of temporary accommodation are available from August (see report **20/225 of 15 December 2020**).

All additional costs will be met through:

- Utilising MHCL grant (Next Steps Accommodation Programme money) that was not factored into the medium term financial planning within the October report as had yet to be received.
- Reduction in the commitment to the Changing Lives Services following the establishment of the Housing First initiative.

In addition MHCLG have indicated further funds shall be forthcoming to help meet accommodation costs.

6.4 There are no new Planning, Crime and Disorder, Health and Safety, implications that arise from this report.

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## Risk Matrix

Risk Ref	Date	Risk	Consequences	Mitigation	Current Risk Score	Target Score	Service Unit Manager/ Responsible Officer	Action Plan
1	Mar 2021	The Council does not work with key partners to tackle rough sleeping	The Council will have no plan, rough sleeping numbers will continue to be a problem and the council shall face censure from Government.	The Council enters into the partnership as set out in this report.				
2	Mar 2021	The partnership does not deliver against its intended outcomes	Funds shall have been wasted. Rough Sleepers remain unaccommodated.	<p>The new partnership approach is more robust than previous arrangements and pulls together the specialisms needed.</p> <p>The Housing first model is based on good practice.</p> <p>Operational protocols and Governance arrangements shall be in place</p>				

## Glossary of Terms

Risk	An event which may prevent the Council achieving its objectives
Consequences	The outcome if the risk materialised
Mitigation	The processes and procedures that are in place to reduce the risk
Current Risk Score	The likelihood and impact score with the current mitigation measures in place
Target Risk Score	The likelihood and impact score that the Council is aiming to achieve
Service Unit Manager	The Service Unit or Officer responsible for managing the risk
Action Plan	The proposed actions to be implemented in order to reduce the risk to the target score

## Risk Scoring

Impact	5					
	4					
	3					
	2					
	1					
		A	B	C	D	E
	Likelihood					

### Likelihood:

A = Very Low  
 B = Not Likely  
 C = Likely  
 D = Very Likely  
 E = Almost Certain

### Impact

1 = Low  
 2 = Minor  
 3 = Medium  
 4 = Major  
 5 = Disaster