

Report of: Strategy & Commissioning, Office of the Director of Public Health

Report to: Director of Environment & Housing

Date: 24th July 2014

Subject: Variation of the Men's sector contract delivered by Leeds Housing Concern.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. Following the homeless sector review in July 2012, accommodation services for single homeless men were remodelled.
2. A contract was put in place with Leeds Housing Concern for the Men's Sector service. This contract includes Garforth House a 16 bed hostel with 24 hour staffing. The service also includes 7 units of accommodation at Cemetery Road which has staffing during office hours and 38 dispersed community properties with support.
3. The Council's focus on homeless prevention and work to ensure there is timely move on in commissioned services, has meant that there is reduced demand for hostel spaces. Garforth House has been under occupied for some time. If clients require temporary accommodation, the preference is for self-contained accommodation rather than hostels, or for hostels in the city centre. The view is that there is sufficient provision without Garforth House and that Garforth House should close.
4. There is an opportunity to reinvest some of the savings from the Garforth House closure into the remaining Men's sector service to ensure there is additional support for clients who have complex needs or who may find it difficult to move on to more permanent housing.
5. It is suggested that a variation is made to the current contract to include the closure of Garforth House and reinvestment of some of the funds in additional support to clients placed in Cemetery Road and the community properties.

6. In order to operate as a direct access hostel it was necessary for LHC to carry out some work to the building. It was agreed at the start of the contract that the cost of the works should be recovered via Housing Benefit rental income during the contract term. As the building is closing early there is a balance outstanding on this account and it is suggested that this amount is paid from the budget for the Men's sector service for this financial year. In addition now that the service is on notice of closure it is unlikely that the building will operate at full occupancy up to its closure in October. It is recommended that the funding model for the service is adjusted up to the closure date and additional payment made. These costs can be met within the funds available for the Men's sector contract in 2014/15.

Recommendations

7. It is recommended that the Director of Environment and Housing approves the variation to the Men's Sector contract which includes the closure of Garforth House and the extension of support within the remaining elements of the service. 45 units of accommodation will remain within the Men's sector service. The variation will be effective from the end of October 2014. The contract amount will be changed from £352,043 to a maximum of £198,136 per annum. One off costs relating to the building will be met from the 2014/15 budget.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval from the Director of Environment and Housing to a variation to the Men's Sector contract. This will include the closure of Garforth House and extension of the support available to clients within Cemetery Road and the community properties.

2 Background information

- 2.1 Following the homeless sector review which concluded in July 2012, services for single homeless men were remodelled. This included the creation of the Men's sector service.
- 2.2 The Men's sector service is delivered by Leeds Housing Concern. The contract includes 16 units of direct access accommodation at Garforth House. This has 24 hour staffing and men stay for up to 2 weeks before moving on. The service includes 7 units of accommodation at Cemetery Road which has staffing during office hours and 38 dispersed properties with support with a target length of stay of 4 months.
- 2.3 The contract for the Men's sector service runs until the end of March 2015 with an option to extend for a further year.
- 2.4 The total cost of this service to the Housing Related Support budget is £352,043. In addition the service has income for rents from Housing Benefit. The Garforth House part of the service has been under-utilised for some time and is no longer financially viable for the provider and does not offer best value for the Council.

3 Main issues

- 3.1 The Council's focus on homeless prevention and work to ensure that there is timely move on in commissioned services, has meant that there is reduced demand for hostel space. This has meant that Garforth House has been under-occupied for some time. If clients require temporary accommodation, the preference is for self-contained accommodation rather than hostels, or for hostels in the city centre. The view is that there is sufficient provision without Garforth House and that it should close.
- 3.2 The landlord of the Garforth House building is Leeds Federated Housing Association. Leeds Housing Concern has provided notice to Leeds Federated that they no longer require the building.
- 3.3 Leeds Housing Concern has agreed to accept a reduced period of notice for the variation to the contract as they are running the service at a loss. Four months formal notice of the contract variation will be provided.
- 3.4 Clients within the Men's sector service currently receive support to develop practical skills to manage their tenancy, address substance misuse, employment and social involvement issues as well as to access a range of move on options.

3.5 The closure of the Garforth House hostel will mean that clients are referred directly into Cemetery Road and the community properties – either directly or from other hostels. This will include clients with complex needs such as substance misuse, mental health issues, and those at risk of offending and vulnerable to exploitation. It is suggested that two staff are retained to offer an additional service to clients in Cemetery Road and the community properties. This service would:-

- Identify in advance those referrals with the most complex needs that may need extra support to move into more permanent accommodation.
- Work specifically with clients already in the service over 6 months.
- Prioritise clients entering the service more than once.
- Provide a brief, intensive after care service – providing clients with the same keyworker for consistency of support once permanent accommodation obtained.
- Provide a facility to access one off crisis intervention in permanent accommodation where required.

3.6 This will be achieved from increased face to face work with clients and a built in flexibility to facilitate working outside of normal hours where required, for example to include weekend visits and contact including phone support at weekends and bank holidays. Effective initial and ongoing risk assessment would ensure joint visits with other support workers and professionals were implemented where required.

3.7 The service would provide the following benefits;

- Reduce and prevent crises
- Help clients to move on where this is proving difficult
- Minimise unplanned exits through eviction and abandonment
- Minimise risk of harm to self and others
- Facilitate permanent tenancy sustainment
- Promote recovery
- Improve practical skills and confidence of clients

3.8 The cost of retaining this element of the service will be a maximum of £81,800 per annum.

3.9 Garforth House is short term accommodation. Clients move from Garforth House to Cemetery Road, the dispersed community properties or other settled accommodation. Leeds Housing Concern will ensure that clients are moved onto appropriate accommodation in a timely way before the closure of the service at the end of October. This will be achieved in liaison with the Council and other providers.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 A number of meetings have been held with the provider of the Men's sector contract, Leeds Housing Concern. A meeting has been held with the landlord of

the Garforth House property, Leeds Federated Housing and notice has been given by LHC as required in the management agreement. Consultation has also taken place with Housing Services about the closure of Garforth House.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An Equality Impact Assessment Screening Tool has been completed in relation to the recommendation in this report and is attached as a background document for information. The EIA Screening Tool indicates that a full EIA does not need to be completed as there is currently a reduced need for the service and there is capacity in other temporary accommodation services.

4.3 Council policies and City Priorities

4.3.2 The Housing Related Support programme directly contributes to the delivery of the Vision for Leeds 2011 to 2030 to be the best city in the UK and will contribute to the delivery of the priorities set out in the City Priority Plan 2011 to 2015. The services will especially contribute to the Health and Wellbeing Leeds City Priority Plan 2011 to 2015 to ensure that *'people are supported to live safely in their own homes'*.

4.3.3 The service contributes directly to the priorities set out in the Leeds Homelessness Strategy 2012 to 2015. In particular the service contributes to priority three- *Minimise the use of temporary accommodation and deliver an effective and modern programme of housing related support.*

4.3.4 The Men's Sector service will also contribute to Priority one of the Homelessness Strategy – *'minimise new, long term and repeat rough sleeping'*. The service will contribute to this key priority by providing accommodation and an effective housing related support service to single men who may otherwise be sleeping rough.

4.3.5 The Men's sector service will also support the delivery of objectives within the Leeds Joint Health and Wellbeing Strategy 2013-2015 by promoting healthier lifestyles by helping people to stay healthy.

4.4 Resources and value for money

4.4.1 As Garforth House is not fully utilised, it would not be value for money for the Council to continue the contract as it is. The current position is not viable for the provider. Extending the service available to clients in the 45 units that will remain as part of the Men's sector contract will contribute to timely move on to more permanent accommodation for clients and achieve positive outcomes.

4.4.2 The total cost for the service following the closure of Garforth House will be a maximum of £198,136 per annum. This has been agreed with the provider. There is sufficient financial provision for this service within the budget as this is a reduction in contract value.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 Advice has been sought from Public Private Partnerships and Procurement Unit about the process required for the variation to the contract.
- 4.5.2 This is a significant operational decision as the contract variation is below £250k per annum and is not subject to call in.

4.6 Risk Management

- 4.6.1 Garforth House is underutilised and options for future use of the Men's sector contract have been assessed. It is considered that closure of Garforth House and enhancement of support available to clients in the remaining 45 units is the best way forward in order to support positive outcomes.
- 4.6.2 It is considered that demand for temporary accommodation can be met through the remaining services in the housing related support programme.
- 4.6.3 The Men's sector contract ends at the end of March 2015. A one year extension is available. A further review of the provision and demand for the service will be undertaken prior to March 2015 along with continued monitoring of the service following this variation.
- 4.6.4 There is no risk of challenge from other providers as this is not open to competition and is a variation to the original terms of the contract.
- 4.6.5 The contract will continue to be performance managed by officers in Strategy and Commissioning. This includes regular reviewing of performance information and quarterly contract management meetings with the provider, at which any delivery issues are discussed.
- 4.6.6 A risk plan has been produced to consider risks associated with closure of the hostel and this will be monitored up to the closure date.

5 Conclusions

- 5.1 The Council's focus on homeless prevention and work to ensure that there is timely move on in commissioned services, has meant that there is reduced demand for hostel space. This has meant that Garforth House has been under-occupied for some time. If clients require temporary accommodation, the preference is for self-contained accommodation rather than hostels, or for hostels in the city centre. The view is that there is sufficient provision without Garforth House and that it should close.
- 5.2 The hostel will close at the end of October 14 and a variation to the Men's sector contract will be made. This will include enhanced support to the clients living in the 45 units of accommodation that will remain.

6 Recommendations

- 6.1 It is recommended that the Director of Environment and Housing approves the variation to the Men's Sector contract which includes the closure of Garforth

House and the extension of support within the remaining elements of the service. 45 units of accommodation will remain within the Men's sector service. The variation will be effective from the end of October 2014. The contract amount will be changed from £352,043 to a maximum of £198,136 per annum. One off costs relating to the building will be met from the 2014/15 budget.

7 Background documents¹

7.1 EIA Screening report.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.