

SCRUTINY BOARD (ENVIRONMENT AND NEIGHBOURHOODS)

WEDNESDAY, 3RD JUNE, 2009

PRESENT: Councillor B Anderson in the Chair

Councillors A Blackburn, R Downes,
D Hollingsworth, K Hussain, G Hyde,
J Marjoram and M Rafique

1 Chair's Opening Remarks

The Chair welcomed everyone to the Call In meeting. He informed the Board that due to the sensitive nature of the business to be discussed, there maybe a need for the Board to go into private discussion during the course of the meeting.

2 Late Items

In accordance with his powers under Section 100 B (4) (b) of the Local Government Act 1972, the Chair consented to the submission of a late item of business relating to a briefing note on Temporary Accommodation and the Planning Appeal Decision (Agenda Item 7) (Minute 6 refers).

The briefing note was late due to the short timescale involved in producing the document.

3 Declarations of Interest

The following personal interests were declared:-

- Councillor K Hussain in his capacity as a private sector landlord (Agenda Item 7) (Minute 6 refers)
- Councillor J Marjoram in his capacity as a private sector landlord (Agenda Item 7) (Minute 6 refers)

4 Apologies for Absence

An apology for absence was submitted on behalf of Councillor J Jarosz.

5 Call-In of Decision - Briefing Paper

The Head of Scrutiny and Member Development submitted a report regarding the procedural aspects of the Call-In process.

Members were advised that the options available to the Board in respect of this particular called-in decision were:-

Option 1 – **Release the decision for implementation.** Having reviewed the decision, the Scrutiny Board (Environment and Neighbourhoods) could decide to release it for implementation. If this option was chosen, the decision would be released for immediate implementation and the decision could not be called-in again.

Option 2 – **Recommend that the decision be reconsidered.** Having reviewed the decision, the Scrutiny Board (Environment and Neighbourhoods) could recommend to the Director of Environment and Neighbourhoods that the decision be reconsidered. If the Scrutiny Board (Environment and Neighbourhoods) chose this option, a report would be submitted to the Director of Environment and Neighbourhoods within three working days of this meeting. The Director of Environment and Neighbourhoods would reconsider the decision and would publish the outcome of their deliberations on the delegated decision system. The decision could not be called-in again whether or not it was varied.

RESOLVED – That the report outlining the Call-In procedures be noted.

(Councillor K Hussain and Councillor G Hyde joined the meeting at 10.10am during discussions of the above item)

6 Review of Decision - Supporting People Request to enter into a framework contract with Cascade Homes, Care Solutions and Green Investments (Jump) for the supply and management of temporary accommodation for a period of 12 months

The Head of Scrutiny and Member Development submitted a report, together with relevant background papers, relating to an Officer Delegated Decision (ref: D35386) of the Chief Housing Services Officer as follows:-

“Request to enter into a framework contract with Cascade Homes, Care Solutions and Green Investments (Jump) for the supply and management of temporary accommodation for a period of 12 months, commencing in May 2009 at a cost of £2.6m per annum.”

The decision had been called-in for review by Councillors R Pryke, D Blackburn, N Taggart, P Ewens and J Matthews on the following grounds:-

“Elected members in wards where the proposed contractors house their clients have not been consulted about the effects of this proposed decision”.

Councillor R Pryke attended the meeting to present evidence to the Board and respond to Members’ questions and comments.

The following officers were also in attendance:-

Paul Langford, Chief Housing Officer
Debbie Forward, Supporting People Manager
Bridget Emery, Head of Housing Strategy and Solutions (attended, but did not give evidence)
Rob McCartney, Housing Strategy and Commissioning Manager (attended, but did not give evidence)

The Board then questioned Councillor Pryke and officers at length on the evidence submitted.

Some of the main concerns highlighted by Councillor Pryke were:-

- the lack of consultation with Elected members in wards where the proposed contractors house their clients
- experiences of poor quality private rented sector housing and landlord management and the consequential impact on vulnerable clients and the wider communities
- that the main concentration of homeless households placed in temporary accommodation was in the Nowells and East End Park area, primarily due to the number of cheap rental properties within that area i.e. back to back Type 2 properties
- reference was made to the Planning Inspectorates Decision dated 10th March 2009 which dismissed an appeal against service of notices for unauthorised works by an individual linked to Green Investments
- that in future, more attention needs to be given to the suitability of providers when renewing contracts rather than the most convenient

In addition to the above comments, Councillor Pryke circulated a copy of a document entitled 'Appeal Decisions – The Planning Inspectorate – 54 Glensdale Street, Burmantofts, Leeds 9 / 55 Glensdale Terrace, Burmantofts, Leeds 9 dated 10th March 2009' for the information/comment of the meeting

In explaining the reasons for the decision, officers made the following comments:-

- the Council had a statutory duty to secure that temporary accommodation was available to homeless households seeking assistance under the homeless legislation and that this provision continues until the homeless household was offered more longer term accommodation
- the current framework contract with Cascade and Care Solutions expired at the end of the financial year and approval was sought through the Council's delegated decision process to extend the existing contractual arrangements with the two existing providers and enter into an arrangement with Green Investments (Jump) following the withdrawal of another provider, Safe Haven
- that approval was sought to extend the contract for a 12 month period whilst the temporary accommodation service was subject to a full competitive tender exercise
- that properties from one of the providers were significantly more costly than the other providers and therefore the Council was already ceasing to use properties from this provider, with all households expected to be moved out by the end of week commencing 1st June 2009.
- the need for any new contract to have a strong focus on driving up the quality of the temporary accommodation to Decency Standards, along with a stronger involvement of Council Officers in inspecting the properties and managing the contract to ensure that it delivered the quality of accommodation and service set out in the service specification

- that the government had set all local authorities a target to half the number of households placed in temporary accommodation by the end of March 2010
- the fact that the number of temporary accommodation units commissioned through private accommodation providers had reduced from 412 units in September 2008 to 166 as at May 2009 as a result of more effective homeless case management and homeless prevention
- the new contractual arrangements would require the provision of up to 100 properties at any one time for use as temporary accommodation within the Leeds boundary and be more broadly distributed in all regions of the city to better meet the needs of homeless households. Contractors would also be required to be members of the Leeds Landlord Accreditation Scheme

The Chair then invited questions and comments from Board Members and the main areas of discussion were:-

Contractual Issues

- clarification as to why there was a delay in commencing the procurement process
(The Chief Housing Services Officer responded and outlined that the initial intention last year was to put in place one contract for the provision of temporary accommodation to be used by all relevant Directorates, which included Environment and Neighbourhoods, Adult Social Care and Children's Services. However, subsequent delays in identifying the total number of units required by all Directorates had led to the Environment and Neighbourhoods Directorate putting in place its own contract in order to meet its statutory requirements)
- clarification of the global figure for the provision of temporary accommodation by the Council
(The Chief Housing Services Officer responded and agreed to supply this information via the Principal Scrutiny Advisor)
- clarification of the existing framework contract which guaranteed a minimum of 30 properties to each of the three accommodation providers
(The Chief Housing Services Officer clarified that this related to the previous contract framework and that the Council entered into an informal arrangement with Green Investments (Jump) following the phased withdrawal of properties by Safe Haven)
- clarification as to why the Council was obliged to enter into this contract at this particular time
(The Chief Housing Services Officer responded and reminded the Board of the Council's statutory duty to secure temporary accommodation and that existing contractual arrangements would need to continue whilst the tender exercise was being undertaken to enable the Council to continue to meet its statutory duties)
- clarification of the review mechanism of the projected annual contract value of £2.6 million

(The Chief Housing Services Officer responded and informed the Board that whilst this was the cost of the contract, a large proportion of this cost would be covered by housing benefit)

Consultation Issues

- clarification of the level of consultation undertaken with the principal Ward Members and the feedback received
(The Chief Housing Officer responded and confirmed that, to date, no consultation had been undertaken with Ward Members. However, he agreed to undertake more work in this area with a view to engaging in discussions with all Members of Council)

The Chair then invited the following witnesses who had been called by the signatories of the Call-In to support the original justification for the decision having been called in:-

Phil Crabtree, Chief Planning Officer
Gail Hardwick, Neighbourhood Warden, East Leeds
Sue Lynch, local resident
Mrs Brennan local resident
Mrs Riley, local resident
Maria Herlingshaw, local resident
Sarah Covell, local resident

The Board resolved that it was likely in view of the nature of the business to be transacted or the nature of the proceedings that exempt information would be disclosed. The Board resolved that the public would be excluded from this part of the proceedings. Further, the Board resolved to exclude the public under the terms of Access to Information Procedure Rule 10.4 (3) i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information). The Board resolved that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The Chair then invited questions and comments from Board Members and officers on the evidence provided by the witnesses.

Following this process, at the request of the Chair, the Board adjourned at 12.30pm to discuss the options and reconvened at 1.00pm in public open session.

In conclusion, the Chair thanked Councillor R Pryke, witnesses and officers for their attendance and contribution to the Call-In meeting.

RESOLVED – That the report and information provided be noted.

(Councillor M Rafique joined the meeting at 10.15am during discussions of the above item)

(Councillor K Hussain left the meeting at 11.40am during discussions of the above item)

(Councillor M Rafique left the meeting at 12.50pm during discussions of the above item)

7 Outcome of Call-In

Following consideration of evidence presented to them and the questioning of witnesses, the Board passed the following resolution.

RESOLVED –

- (a) That the decision be referred back to the decision maker for reconsideration.
- (b) That the decision maker be requested to reconsider the following specific areas:-
 - *whether or not appropriate consultation was carried out with the relevant Ward Members*
 - *to consider whether the selected providers of temporary accommodation, subject to this contract, were suitable both in terms of their legal status and their ability to provide suitable accommodation*
 - *to consider and address any concerns in relation to any of the providers mentioned in the report or selected prior to any new decision being taken*
 - *to ensure that a thorough assessment of all the properties included in this contract had been conducted to ensure their suitability before the contract was reissued*
 - *to ensure that relevant Ward Members were consulted prior to such decisions being taken*
 - *to ensure that Housing, Planning and other affected Directorates liaise closely and exchange information that would facilitate decisions such as these*
 - *to ensure that all providers identify in advance a list of all potential properties, subject to the contract*
 - *to ensure that appropriate investigations were carried into the provider's legal status and to ensure that professional advice was sought where necessary*
 - *to ensure that appropriate consideration was given to issues of quality as well as cost when selecting providers*

- *to ensure that any contract contains sufficient clauses dealing with any breaches of the contract and to ensure that there were appropriate sanctions for non compliance*
 - *to ensure that the contract was monitored and any breaches of agreements were enforced*
 - *to ensure that there was an appropriate mechanism which allows users of such accommodation to complain about the providers*
 - *to ensure there were appropriate mechanisms in place in the future which allow the Directorate to identify contracts that were about to expire so that appropriate steps can be taken to continue to provide the service*
 - *to ensure that all properties were inspected to ensure suitability prior to allocation to users. Where it was not possible prior to allocation, then to ensure that an inspection was undertaken within 48 hours or on the next working day*
- (c) That due to the concerns expressed, the Scrutiny Board recommends that a more general process of awarding contracts was considered by Scrutiny.

(The meeting concluded at 2.15pm)