

To: City Executive Board
Date: 19th September 2017
Report of: Head of Housing Services
Title of Report: Additional Complex Needs Homelessness Provision

Summary and recommendations	
Purpose of report:	To seek authority to award three different contracts to provide accommodation and support services for homeless clients with complex needs as part of the adult homeless pathway in Oxford City.
Key decision:	Yes
Executive Board Member:	Councillor Mike Rowley – Portfolio holder for Housing
Corporate Priority:	Meeting Housing Need
Policy Framework:	Homelessness Strategy 2013-2018
Recommendations That the City Executive Board resolves to:	
1.	Agree for the Council to secure a one year contract with A2 Dominion from April 2018 to March 2019 to fund support for circa 20-25 units of complex needs housing at the current Simon House site, to a maximum value of £200k, to be identified from within the Homelessness Prevention Funds budget 2018-2019.
2.	Delegate authority to the Head of Housing to determine the details of the contract and operationalise the scheme.
3.	Agree for the Council to enter into a five year contract with A2 Dominion from April 2019 to March 2024, on a new site, at a maximum value of £225k per annum, to be funded from within the agreed Homelessness Prevention Funds budget envelope.
4.	Delegate authority to the Head of Housing to determine the details of the contract and operationalise the scheme.
5.	Agree for the Council to enter into a two year contract with Response to double the number of Acacia housing units in the City to 10 from October 2017 to be funded from within the agreed Homelessness Prevention Funds budget envelope.
6.	Delegate authority to the Head of Housing to determine the details of the contract and operationalise the scheme

Appendices	
Appendix 1	Risk Register
Appendix 2	Equality Impact Assessment

Introduction and background

1. In line with the current Homelessness Strategy 2013-18 and the emerging draft Housing and Homelessness Strategy 2018-2021; officers are working to reconfigure homelessness provision in the City as part of the Council's aim to end rough sleeping, by providing an appropriate mix of accommodation to meet the needs of the City's rough sleepers.
2. This approach forms part of the work currently being undertaken to mitigate the impact of the reduction to County's funding of homelessness services, when there were 285 units of accommodation in the adult homeless pathway of which an estimated 150 have been identified as necessary to meet the on-going need of clients within the City who have a local connection.
3. County funding is reducing over the next three-year cycle and will end completely in 2019-2020. Officers are currently working on the configuration and balance of hostel-based and dispersed units that will be needed to support rough sleepers with a connection to Oxford City going forward.
4. Following the dispersal of units into shared accommodation when Lucy Faithfull House was decommissioned, early indicators show that people with high and complex needs struggle to maintain shared and dispersed accommodation that does not have 24/7 cover.
5. When Simon House closes in March 2018, the City will only have access to the 27 units of complex needs accommodation with 24/7 cover based at O'Hanlon House but this is insufficient to meet the need. OCC needs to further commission 20-25 units of complex needs accommodation with high levels of on-site support and 24/7 cover as part of the adult homeless pathway, for clients with a connection to Oxford City.
6. The purpose therefore of this report is to outline work done by officers to explore the opportunity to replace circa half of the units that will be lost when provision at Simon House, a 52-bed homeless hostel currently provided by Oxfordshire County Council for people with high and complex needs, will be decommissioned at the end of March 2018.

Provision of a 20-25 unit complex needs hostel.

7. Officers have been working closely with A2 Dominion, the current leaseholder and support provider at Simon House, to find an alternative site for a smaller hostel to meet the needs of 20-25 people with complex needs. This has been challenging but we are now confident that this can now be delivered.
8. In order to provide the necessary assurances to A2 Dominion to proceed with the development of a site, officers are seeking to make a five year revenue commitment from April 2019 which will fund support for the circa 22 bed complex

needs hostel. It is intended that the development will also support a further circa 15 units of move-on accommodation for clients progressing out of the pathway, which focusses on education, training and work readiness and preparation for the private rented sector. Clients would have low support needs and could stay for up to 2 years.

9. This provision would form a critical part of the future adult homeless pathway in the City.

Timelines

10. Simon House in its current configuration is due to close at the end of March 2018. Referrals into Simon House for all clients, bar those with a connection to Oxford City, are already closed.
11. The Council will need to enter initially into an interim, transitional arrangement between 1st April 2018 to circa 31st March 2019 which will provide circa 20-25 units of complex needs accommodation on the current Simon House site whilst the new site is being built and leading up to the decant of Simon House to the new site.
12. It is proposed that a planning application for the new build on the new site will be sought in late September 2017 jointly by A2 Dominion and the developer with an anticipated start on site date of February 2018, and with a predicted 12-month build period.
13. Agreement is sought to allocate a contract to A2Dominion, up to a maximum value of £200k, for a transitional service, based at the current Simon House hostel for 12 months from 1st April 2018. This budget will be identified and prioritised in the Homelessness Prevention Funds for 2018-2019.
14. A decant process will then be undertaken to transfer to the new site with a new service to be commissioned from 1st April 2019 for a period of 5 years on a 3 year contract plus the option to extend for a further 2 years, subject to conditions, including good performance.
15. Oxford City Council expects to meet the full funding commitment to support the cost of this support provision on site in full for a period of 3-5 years, with terms to reflect decommissioning costs being met by the Council prior to the end of term of 5 years.
16. Approval is sought to enter into a contract with A2 Dominion for a maximum of 5-years, at a maximum revenue value of £1.123m, over this 5 year period, which will need to be identified from base budget Homelessness Prevention Funds between 2019-2024.
17. The provision of this accommodation will be one of the top priorities within the homelessness pathway and therefore officers are confident that this budget can be managed going forward.

Development of the Simon House site at Castle Mill.

18. As a result of the decommissioning of Simon House and the subsequent proposed development, the Council intends to continue further discussions with A2 Dominion as the leaseholder, on the future of the Castle Mill site, of which the Council is the freeholder. The intention is to secure a viable mixed residential development (including social rent and sale properties) in accordance with planning policies, and

to meet housing needs that could be on this site alone, or across this and other sites in Oxford.

Acacia Housing

19. As part of other work streams, to increase the supply of bespoke accommodation to meet the essential support of people who have complex needs, officers are also seeking approval to enter into a 2-year contract with Response from October 2017 to double the number of units in the Acacia Housing project from 5 to 10 beds. This project launched in February 2016 and is based on the Housing First model which was originally developed in the United States and has demonstrated high degrees of success in both housing and supporting those who are chronically street homeless with multiple and complex needs. It is founded on the principle that housing is a basic human right and provides accommodation for people straight from the streets. The model has no preconditions of addressing wider social care and support needs. Following the success of Housing First for a group of entrenched rough sleepers, the concept of Acacia developed following conversations between housing and mental health commissioners who were aware of an increasing group of people who “fall between the gaps” of mental health services and homelessness services, getting ineffective support from either or both due to their needs. To date, the project is demonstrating excellent outcomes for very vulnerable and marginalised clients, many of whom have been in and out of hostel or institutional accommodation for years and there is an ongoing demonstrable need for more accommodation of this type and a commitment from OCC and OCCG commissioners to develop further units and support services.
20. The revenue to increase the number of units to 10 for the next 2-years is £164k and is identified within the Homelessness Prevention Funds base budget and this report seeks the agreement to enter a 2-year contract with Response from October 2017.

Financial implications

21. This report is necessary as it requires the Council to give a forward commitment for spend from Homelessness Prevention Funds ahead of the annual budget rounds for the years in question ie 2018-2019 for the transitional arrangement in Simon House, 2019/2020– 2023/2024 for the 5-year revenue commitment needed to provide a complex needs hostel on a new site and 2018-2019 and 2019-2020 for the contract to deliver 10 Acacia housing units. The costs will need to be contained within the overall budget envelope each year.

Legal issues

22. In order to mitigate the County Council's cuts and create an adult homeless pathway that meets the City's needs, the Council needs a 20-25 bed hostel and cannot procure this from the market. It is only available from A2 Dominion and they have not agreed to allow another support service to run the provision from their building.
23. Therefore, it is necessary to grant an exemption to the usual legal and procurement rules to proceed with this development.
24. All future services funded from the Homelessness Prevention Funds will have appropriate contracts in place.

Level of risk

25. The Risk Register is attached as Appendix 1

Equalities impact

26. This intervention will maintain services for vulnerable single homeless people. Therefore it is a positive impact on vulnerable homeless people, particularly those with complex needs.

27. All services in receipt of funding are subject to rigorous monitoring which includes equality and diversity.

Conclusion

28. The City Council are facing unprecedented challenges going forward due to the County Council cuts to Housing Related Support and the need for the City Council to step in and fund the supported accommodation services that are needed in the City for individuals with a connection to the City.

29. This additional complex needs scheme to replace Simon House is an excellent opportunity to appropriately meet the need of city connected clients who have high and complex needs in 24/7 supported accommodation. As a new build the scheme will be smaller than many of the large institutionalised hostels and therefore provide an environment that has the opportunity to be a showcase scheme providing an excellent service, matched to local needs, and as an essential part of a new adult homeless pathway in the city.

30. Additionally bespoke units at Acacia Housing, based on the principles of Housing First will be able to provide appropriate accommodation for people who find hostel environments particularly difficult to manage due to their mental health issues.

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Background Papers: None

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