

CABINET

3rd December 2013

SUPPORTED YOUTH HOUSING

Report of the Director for People

STRATEGIC AIM:	Creating a brighter future for all Meeting the health and well being needs of our community Delivering council services within the MTFP		
KEY DECISION	YES	DATE ITEM FIRST APPEARED ON FORWARD PLAN	February 2013

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to propose a single integrated solution for young people who have been identified as medium risk, homeless and in need of supported accommodation and to relocate the People’s directorate Team 2 (Stronger Communities).

2. RECOMMENDATIONS

That the Cabinet **RECOMMENDS THE COUNCIL** to:

- 2.1 **Approve the Supported Youth Housing project in its entirety as outlined in Option Four.**
- 2.2 **Approve the balance of £44,472 from the S106 Agreement for the Rutland Care Village to contribute towards the capital expenditure for the Youth Housing Project, in line with the decision of the Council on 9 September 2013 (minute 350/2013).**
- 2.3 **Approve the underwriting of the project costs required from prudential borrowing in advance of the expected receipt from the sale of Jules One Stop, Developer Contributions arising from the Section 106 Agreement on the Hawskmead development.**

3. REASONS FOR THE RECOMMENDATIONS

- 3.1 The 16/17 joint protocol between housing and social care was introduced in response to the House of Lords judgement of May 2009 in the landmark case of G v LB Southwark. The “Southwark Ruling” clarified that when responding to homeless 16 and 17 year olds, local authorities have a statutory duty to assess all young people under the Children’s Act 1989 using Section 17 (child in need) and Section 20 (looked after) and cannot discharge their duties using homelessness legislation.

- 3.2** The Local Authority has a statutory duty to secure so far as is reasonably practicable, access to educational and recreational activities for the improvement of young people’s well being which includes explicitly a duty to secure sufficient activities for the improvement of young people’s personal and social development. (Education and Inspections Act 2006 Section 507B Clause 3).
- 3.3** The project will increase the opportunity for vulnerable young people with housing needs to remain in Rutland accessing local support services, retaining their links with family and friends. Young people will gain skills, knowledge and outcomes required to enable them to become independent citizens of Rutland.
- 3.4** The development of a youth housing project will enable the Council to reduce costs arising from both the Jules One Stop building and relocation of Team 2 whilst making effective use of the Council’s resources in providing a service for young people aged 16 – 24 who are in need of supported living to enable them to transition into a sustainable tenancy.

4. BACKGROUND

Homeless young people in need of supported housing

- 4.1** The options available to young people meeting the threshold for the 16/17 joint protocol under the Children’s Act are as a child in need under section 17 (to remain at home) or a looked after child under section 20 (to be fully accommodated by the local authority) as outlined in the options within **Appendix C**. If a young person chose to be accommodated under section 20, they would be entitled to a leaving care service until they are 21 (or 25 if they had a disability or continuing in education).
- 4.2** In Rutland, the protocol ensures social care and housing staff complete a joint assessment on each young person that presents as in need of housing. If a young person met the criteria and full duty is accepted, the accommodation options currently available with weekly costs for them would be as follows:

Current delivery models for supported housing	Cost per week
Independent fostering arrangement where young people may be placed out of county	£760 - £1,000
Social rented housing plus support with bills	£150
Private fostering arrangement with someone who is known to the young person	£50
Out of county supported living placement	£150 - £450
In addition, bespoke packages of support are tailored to young person’s needs provided by staff within early intervention and social care, e.g) budgeting, healthy eating, employment and training which is in addition to accommodation.	£150 (10hrs per week x officer time)

- 4.3** Since the “Southwark Ruling” there have been a number of service pressures as listed below:
- a)** The number of young people requiring to be assessed and accommodated through the 16/17 protocol has added increased

pressure to the Council's budget and resources which has been overspent each year since the introduction of the protocol.

- b) Since the Southwark Ruling in 2009, demand has increased with 32 young people presenting themselves as needing accommodation through the 16/17 protocol as follows:

2009-10	2010-11	2011-12	2012-13	2013-14 (30 Sept 13)
9	3	7	8	5

- c) Of the 32 young people, the Council accepted duty for 26 young people with 13 provided with supported housing placements and 13 being provided with a package of support to enable them to remain at home. The remaining 6 young people did not meet the threshold.
- d) In comparison to neighbouring local authority areas, it is expected that the number of young people presenting through the 16/17 protocol is significantly less for Rutland.
- e) The children's social care placement budget for young people who are "looked after" is projecting £169,500 overspend as of quarter 2, - 2013/14. This placement budget is likely to increase due to the responsibilities within the 16/17 protocol.

Jules One Stop – Location of Team 2

- 4.4 Jules One Stop houses Team 2. The building is owned by a Trust in memory of Julia Weight who wanted to become a Youth Worker who died in a motorcycle accident. The building is leased to the Council at a peppercorn rent and has 11 years remaining. The lease allows the building to be used for the provision of young people's services with 60% frontline services and 40% office space. On average 110 young people access the building weekly (160 contacts). Team 2 comprises of the Housing Options service, Community Safety team and Targeted Youth Support service. It has 29 members of staff (equating to 19.43 FTE).
- 4.5 The Youth Service provides a range of informal recreation and formal learning opportunities for young people aged 11 – 19 living or educated in Rutland. Frontline provision is delivered to 400 young people annually with approximately 75% of service users identified as young people who are vulnerable.
- 4.6 The location and space is ideal for providing direct frontline services to the community. However there are ongoing problems with the electrical system with power failures and inability to provide an efficient heating/ cooling system and IT services. The impact is generally low but medium in the winter/ summer seasons where the environment is either too hot or too cold resulting in the need for additional mobile heaters or air conditioning units which are sourced from Premises and increase utility bills. The cost to complete the work required to bring the Jules building up to an acceptable standard is estimated to be up to £60k.

Proposal

- 4.7 This paper outlines four options with option four being the recommended option. Refer to **Appendix B** for detailed information on the options appraisal completed.

Option One	Take no further action, Rutland County Council will continue to support young people accepted through the 16/17 protocol with the current options outlined in paragraph 4.2. Staff to remain at Jules and the upgrade works not completed or move to another council owned building.
Option Two	Team 2 to remain at Jules and complete the required works to bring the building up to standard.
Option Three	Explore options to procure providers to deliver a youth housing project as detailed in option four.
Option Four	Convert a council owned asset into a supported accommodation unit for young people aged 16 – 24 incorporating the relocation of Team 2

4.8 An opportunity has arisen to consider the conversion of a council owned asset (Pinewood, 1 Cold Overton Road, Oakham) to provide a 5 bedded supported accommodation project for young people aged 16 – 24 who are assessed as medium risk homeless and unable to live independently and also to relocate Team 2. Following vacation of Pinewood by Spire in November 2012 the property has been marketed for rent. There have only been 10 informal enquiries of interest in Pinewood which have not progressed beyond viewings stage.

4.9 The primary aim when supporting a young person who is homeless will always be to support them to return home. In developing the Youth Housing Project, the Council has worked with key partners such as Citizens Advice Bureau, Spire Homes, Education and the Police as part of an integrated approach to develop a positive and holistic pathway to support young people in terms of:

- Achieving in education
- Career success and resulting economic independence
- Being healthy, both physically and mentally
- Having positive relationships with peers, families and local communities
- Involvement in meaningful, enjoyable activities including volunteering, sports and arts

If the project is supported, work with partners and the Weight family will be pivotal in the project's implementation.

4.10 To keep costs to a minimum and to increase effectiveness, existing staff within Team 2 would staff the Youth Housing Project within office based hours and run the delivery of a bespoke accredited life skills programme covering a wide ranging curriculum. In addition, each young person would have an allocated key worker from the existing service to provide 1 to 1 support. Refer to **Appendix D** for the proposed staffing structure.

4.11 Additional factors in support of this project are identified as below:

- a) Full funding has been identified as outlined in **Appendix A**.
- b) The development of a youth housing project will enable the Council to reduce costs arising from both the Jules building and children's social care placements budget whilst providing a more effective service for young people aged 16 – 24 who are in need of supported living to enable them to transition to a sustainable tenancy.
- c) The Council's Social Care team have identified up to 10 young people who could move from their current placement into a supported living project over the next few years. As demonstrated in the table below, this could provide a cost avoidance saving of up to £65k per year.

Placement budget	2014-15	2015-16	2016-17	2017-18
Approved budget	£703,000	£703,000	£703,000	£703,000
Forecast spend	£900,187	£913,187	£928,497	£928,497
Reduction in overspend	£37,187	£64,981	£65,497	£65,497

- d) In addition both the Housing Options service and the Inclusion Team have identified a further 32 young people who are in need of supported housing and would qualify for full housing benefit.
- e) Spire Homes has endorsed the project acknowledging that by working with young people through an intensive package of support it would strengthen their suitability for an effective and smooth transition into a tenancy with sustainability.
- f) The Council have given approval for the allocation of the remaining funding from the Rutland Care Village to affordable dwellings for rent through tenancy or licence in Oakham and/or Barleythorpe, for single people and/or couples aged between 16 and pensionable age (£44,472k) which would be used for the project.
- g) The Hawskmead funding is released annually for every 75th house occupied. The trajectory for the development highlights we are on track for this over the next 10 years but there is a risk the development may slow down and affect payments being released. The remit is specified as follows. *“Youth Services” means informal universal and targeted sport, leisure and education services to support post 11-19 year olds in Oakham.* This fits well with the wider remit of the Youth Housing Project combining with Jules One Stop to develop existing provision to meet demand for youth provision.
- h) There is currently a cost to the authority of maintaining Pinewood as an empty building. Bringing the building back into use would mean these costs are saved (£12.5k annually).
- i) Other options have been explored regarding potential sites such as Oakham Enterprise Park that could be used for this type of provision, however these have been deemed unsuitable. The Pinewood building was previously a project of this nature therefore the costs to conversion would be lower than if we identified another building. It is also ideally located to provide a range of targeted services to those most in need.
- j) The Weight family and Trust have committed in writing that they would donate the full sale proceeds of Jules towards the project to be used against capital and revenue over a number of years if required. This would need to be formalised in a legal agreement.
- k) The Trust has obtained a sales valuation for the current Jules building of £120,000 based upon commercial use, and informal planning consultation suggest residential conversion may be acceptable on the first floor. This mixed use potential should assist the sale of the property.
- l) The Council will no longer have any financial liabilities for Jules One Stop at Melton Road. It is not yet known whether the Trust will require any dilapidations payments from the Council on vacating that property.

5. SPECIFIC ISSUES

5.1 There are specific issues that need to be taken into consideration for this project as listed below:

- a) The project is dependent on the Council's agreement to underwrite the project costs from prudential borrowing in advance of the expected receipt from the sale of Jules One Stop, and Developer Contributions arising from agreed Section 106 Agreements on the Hawksmead development (for youth services) and Rutland Care Village (for affordable housing). The total borrowing requirement would be £230k over a period of 5 years which would incur the interest amount of £7,362 (totalling £237,362)
- b) Although there has been limited interest in anyone renting or buying the Pinewood building, it should be acknowledged that if this project was to go ahead there is a potential opportunity cost of up to £24k per annum in rental income for Pinewood or £210k capital receipt for the sale of Pinewood.
- c) Following an assessment in 2010, capital works were identified for re-roofing, windows/ door replacements and external works to Pinewood, these were estimated to be in the region of approx. £100k for the next 10 – 15 years. This would be completed in line with the council's maintenance programme and funded through the central maintenance budget or other capital funds.
- d) Housing Benefit rules may change for those currently with full eligibility for supported living costs. There is strong recognition from the Department of Work and Pensions for the provision of supported accommodation for vulnerable people to remain exempt and any changes will be subject to extensive consultation. It is anticipated that any potential change will not be implemented for at least 5 years.
- e) A planning application would be required for the conversion of Pinewood and may not be approved. However this is unlikely due to the prior use of the building as a similar project.
- f) The sale of Jules may take too long, sell for less than anticipated or not sell at all.

6. RISK MANAGEMENT

RISK	IMPACT	COMMENTS
Time	Medium	Jules One Stop does require works to meet minimum standards to be fit for purpose. There has been a significant increase in the number of young people presenting as homeless to the authority since the ruling in 2009. The proposed timetable for implementation is September 2014.
Viability	High	It is important that the Council has a process for supporting young people through the 16/17 protocol that is also cost effective and efficient. Existing provision would look at changing the direction of resources to support this initiative. The project will provide an integrated solution for localised supported housing and the use of Youth Workers skills to deliver and manage the project.
Finance	High	Due to the increase of young people being "accommodated" and the need for supported single accommodation for vulnerable young people aged 16 – 24, costs are likely to increase for the authority with respect to the care leavers and homelessness

		budget. The Council are requested to underwrite the costs in advance of the sale of Jules One Stop which may take too long to sell or not sell at all.
Profile	High	Jules One Stop has a high profile of visibility within the community. Specialist housing support for young people will enable young people to stay local whilst maintaining an appropriate residence to deliver young people's services. In addition, due to the nature of the joint project, there may be opposition from members of the public which will require extensive consultation. The Weight family and partners are very supportive of the project.
Equality and Diversity	Low	There is a particular focus on vulnerable young people' housing and support needs. An equality impact assessment is in the process of being completed and will be ready for Cabinet on the 3 rd December.

7. CONCLUSIONS

- 7.1** Young People will continue to present as homeless through the 16/17 protocol.
- 7.2** The consequences of not having dedicated provision can lead to young people feeling isolated and excluded from their local community, dropping out of education, training or employment and resulting benefit dependency. There is a significant higher risk of mental health problems, teenage pregnancy, substance misuse, anti social behaviour, crime and involvement.
- 7.3** The project will enable young people to remain in Rutland accessing local support services, retaining their links with family and friends. Vulnerable young people will gain the skills, knowledge and outcomes required to enable them to become independent citizens of Rutland.
- 7.4** By providing a local supported living project there will be a minimum cost avoidance of £65k per annum initially. It is anticipated that as the project evolves and expands, the cost avoidance to the authority will increase with potential income generation for the Council.
- 7.5** The Council will no longer have any financial liabilities for Jules One Stop at Melton Road.
- 7.6** The purpose of this report is to propose a single integrated solution for young people who have been identified as medium risk, homeless and in need of supported accommodation and to relocate the People's directorate Team 2 (Stronger Communities).

Background Papers

Ref: Allocation of Affordable Housing Contributions185/2013

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