

CABINET MEETING: 25 FEBRUARY 2021

HOMELESSNESS – UPDATE ON PROGRESS AND FURTHER PROPOSALS FOR MEETING THE NEEDS OF SINGLE HOMELESS PEOPLE

**HOUSING AND COMMUNITIES (COUNCILLOR LYNDA THORNE)
AGENDA ITEM: 9**

Appendices 1, 2, 3 & 4 are not for publication as they contain exempt information of the description contained in paragraphs 14 and 21) of Schedule 12A of the Local Government Act 1972

Reason for this Report

1. To update on the progress in delivering the future model for homelessness services.
2. To approve the purchase of the YHA hotel to ensure continuity of accommodation and support for single homeless people.

Background

3. In recent years, like all major British cities, Cardiff experienced a dramatic rise in the number of single people presenting as homeless or rough sleeping. Following extensive research into good practice across the world, proposals were developed to meet the wide range of issues presented by single homeless clients. A multi-agency steering group was established to deliver this new vision chaired by the Cabinet Member for Housing and Communities.
4. At the beginning of March 2020 there were 30 rough sleepers in Cardiff, down from 84 rough sleepers the previous year. The key presenting support need for those rough sleeping was substance misuse although the complex nature of the issues faced by these individuals meant that most also had other challenging health needs. In addition to the 30 rough sleepers, there were 140 individuals in emergency accommodation, 98 of whom were sharing sleeping spaces and were required to leave the accommodation during the day. There were also more than 600 individuals were living in hostel and other supported accommodation.
5. Following the Welsh Government announcement on 20th March 2020 that additional funding was available to address homelessness, 182 additional units of supported accommodation were established at a

number of sites, including 2 large hotels. Rough sleeping fell to single figures and even the more chaotic clients were remaining in accommodation. Despite some increase in rough sleeping over the summer overall this progress has been maintained and only 7 individuals were sleeping rough in the city as at 8th January 2021.

6. The new homeless projects have provided an unprecedented opportunity for services to work with clients with substance misuse issues. Health and third sector colleagues started to provide services directly into the hostels including harm reduction and rapid prescribing. Therapeutic and counselling services have also continued throughout the crisis to ensure that clients underlying needs are identified and met. 71 individuals are still in active treatment, a 75% retention rate, a significant achievement for this hard to reach client group.
7. A cabinet report in July 2020 confirmed the commitment to “no going back” and set out a new vision for addressing both single person homelessness which was based on the previous research and the learning from the pandemic. The report also set out a new way forward for family homelessness based on rapid rehousing. A number of planned projects intended to take forward the new model were outlined and the report noted that a bid had been made for Welsh Governments Phase 2 funding to take forward these projects.
8. This report provides an update on the outcome of the funding bids, updates on progress with the projects, and proposes a new project for single homeless people, to provide further capacity and ensure the aim of “no going back” is achieved.

Issues

Grant Funding

9. Cardiff was successful in achieving Welsh Government capital grant funding for a number totalling £12m for homelessness schemes. In year revenue funding was also achieved which allowed the schemes to progress.
10. On 21 December 2020 the Welsh Government announced an additional £40m Housing Support Grant funding for Wales of which Cardiff will receive £5.243m. This funding is intended to assist with the transformation of services in accordance with the Welsh Government’s guidance on homelessness. The vision that Cardiff has set out is very much in line with this guidance. This additional funding will allow the schemes already proposed to be fully realised, allow for the improvement of existing schemes and will also provide additional funding to drive forward the rapid rehousing approach to homelessness.

Update on Single Person Homelessness Projects

Assessment Centre / Triage

11. A key part of the new approach to homelessness is the proper assessment of need. The new Assessment Centre at Hayes Place, Cowbridge Road East will provide 24 hour services, with multi-disciplinary assessment of need for single homeless people and will also provide good quality emergency accommodation for short term use. Where necessary this accommodation will also allow clients to stay longer to allow them to stabilise and for their needs to be fully assessed. Work on the new centre is well underway and is expected to be complete by the end of February 2021.

Further developing the Multi-Disciplinary Team

12. The Assessment Centre will be a co-ordination point for complex needs services including street and hostel outreach. The success of the multi-disciplinary homeless team has already been considerable and the new approach will build on this success. The team now includes:

- Social workers
- Mental health workers & mental health social worker
- Housing support workers (SAIL)
- Advocate
- Primary care nurse
- Substance misuse workers
- Probation Officers
- Rapid prescribing service
- Therapeutic outreach workers & psychological services
- Counsellors
- Peer mentor co-ordinator
- Police Street Safe Officer
- Occupational Therapist

13. Plans to provide psychologist input are well underway and it is anticipated that this will be in place by the end March, a way of delivering psychiatrist input is also being explored. Key support workers are also in the process of being recruited. Once an individual's needs have been assessed the necessary support will follow the client, wherever they are, on the street, in hostel or supported accommodation and will also follow them as they are rehoused into the community.

Rapid Rehousing, Housing First and Intensive Support in the Community

14. The additional Housing Support Grant will facilitate the transition to a rapid rehousing approach, including Housing First and intensive support in the community where appropriate. Support from the multi-disciplinary team will ensure that those moving on have the appropriate level of support from a range of services.

Good Quality Supported Accommodation

15. A new 42 unit supported accommodation facility, Ty Casnewydd, has been established on Newport Road. The accommodation was previously student accommodation and is of a high standard. All rooms are en-suite and there is 24 hour support and security on site. The first clients moved in on 21 September 2020 and early indications are that the project is working well for medium need clients. The opening of this facility allowed the service to stop using one of the hotels, the OYO hotel in Riverside.
16. A pilot supported accommodation project in Countisbury House, Llanrumney offers 16 self-contained units as move-on / halfway house provision for those with medium to low level support needs. The scheme is testing the success of provision outside the city centre and so far is working well. Consideration is currently being given to extending the lease which is due to expire in May 2021.

Specialist Supported Accommodation

17. Following the research and site visits undertaken prior to the pandemic it was possible to identify the key features of good quality specialist supported accommodation for clients with the highest needs. The main factors are that the units must be self-contained, that there is support on site 24/7, that health and other essential services are available to the clients in the facility rather than relying on individuals attending for outpatient appointments elsewhere. It is important that counselling and therapeutic services are available in the facility along with education and work experience opportunities.
18. The cabinet report in July set out that there is a need for 200 additional units of this type of specialist accommodation in Cardiff and put forward proposals for a development at Adams Court in Adamsdown which would supply just over 100 of these units.
19. Adams Court is owned by United Welsh Housing Association but support provision and day to day management will be provided by the Council. A formal agreement has been entered into to take this forward. Capital funding has been secured from the Welsh Government and work has started on the external areas of the site to improve security of the boundaries. The contract for the reconfiguration of the internal space has been awarded and work is due to start shortly. While this work is underway part of the building will be used as a winter hostel to ensure sufficient accommodation is available until the scheme is fully operational.
20. Baileys Court, a block of 49 flats adjacent to Adams Court also forms part of the management agreement with United Welsh. This property will provide more settled long-term accommodation for individuals with a history of repeated homelessness. Security will be provided on site and support will be available via the Adams Court scheme. The current residents have been offered the opportunity to relocate should they wish and these moves are now underway.

Review of Existing Accommodation

21. A new lower needs pathway has been established, delivered by the YMCA. To facilitate this, clients with more complex needs have been moved from the YMCA's hostel at The Walk. This new pathway will provide appropriate clients with low level support to assist them to enter education, training or work and to ensure that they are rehoused quickly into private rented sector accommodation.
22. The ending of some services was also outlined in the July cabinet report. In particular it was noted that some existing second stage projects which offer accommodation in shared community housing without full time support on site have proved less successful in meeting the increasingly high level of client needs. In line with best practice, it is intended to move away from the staircase model, whereby service users move through several projects in their journey towards independence, towards a rapid rehousing approach with appropriate support based on individual need. The shared community housing provision will therefore be phased out over 3 years. Consultation with the providers of these schemes has been completed and the change is on track to commence in April 2021.
23. A review of the services provided at the Huggard Buildings on Dumballs Road is also underway with the aim of refocusing activity in this provision. Further work is required to fully develop these proposals and this is due to commence shortly. Work to review the substance misuse abstinence pathway is also due to commence during 2021.

Temporary Facilities

24. As stated above the OYO hotel is no longer used for homeless purposes, also the Greenfarm shipping containers, which were being used as isolation units, have reverted to family accommodation. It was also intended that Cargo House shipping containers on Bute Street should revert to family accommodation early this year, however due to the ongoing prevalence of the virus these remain essential for isolating homeless people where they cannot remain in a hostel setting. Therefore Cargo House will remain in use as isolation units until June 2021 when a further review will be carried out.

Additional Proposals for Single People - YHA Hotel

25. The homeless hostel developed within the YHA hotel has proved very successful in assisting clients with higher needs. There are currently 89 clients residing in 80 en-suite rooms with 24 hour support and security on site and with health and therapeutic services delivered on a visiting basis. The building is situated on the edge of Butetown at East Tyndall Street, and is sufficiently isolated to prevent undue community impact while also being close to the city centre. The lease on the building has recently been extended to June 2021.
26. Given the success of the project it is proposed that the Council should purchase the building for ongoing use as a hostel. A provisional offer

has been made for the building and this has been accepted by the owners, the Youth Hostel Association. This offer was in line with the opinion of value provided by an independent Valuer which is attached at confidential appendix 1. A set of draft Heads of Terms have been provided by YHA and are attached at confidential appendix 4. These are acceptable to the Council for inclusion in this report. The purchase of the property can be completed subject to relevant searches and legal due diligence being concluded and approval of this report.

27. A review of the viability of the purchase was also carried out, this showed that the capital required for the purchase of the building, including all potential Land Transaction Tax (stamp duty), fees and an allowance for minor changes to the building would be repayable in 36 years.
28. The scheme will be operated by the Council as at present, a permanent staffing structure for this building and the other new homeless projects will be put in place following appropriate consultation.
29. The revenue costs for this project are set out at confidential appendix 2, and these will be met by a combination of Housing Benefit and Housing Support Grant. The scheme represents good value for money per unit when compared with other schemes for higher need clients.
30. The building is flexible enough that, should it be no longer needed for homeless purposes it could be repurposed for permanent housing, subject to planning permission. The car park is also large and could provide an opportunity for further accommodation, again subject to planning permission. There is also the ability to let as an investment or dispose of the asset.
31. As noted above it is estimated that 200 units of good quality accommodation for higher needs clients are required. The YHA together with the Adams Court project will deliver 180 of these units

Update on Family Homelessness Projects

32. The cabinet report in July also set out a new approach to family homelessness based on a rapid rehousing approach. The creation of 3 family homeless centres was a key part of the new proposals. These centres will offer good quality family accommodation with staff on site during the day. The staff will promote rapid move on while also addressing any support needs the family may have. Other services will be provided on site including Early Help services such as Flying Start, health visiting and parenting provision. The Gas Works site would have 24 hour staffing to extend the emergency provision available. An update on each of the projects is set out below:
 - Briardene on North Road, a Cardiff Living Scheme site, first block to be delivered February 2021 (39 units). Meridian Court, an adjacent office block has also been purchased to expand the accommodation available and to allow for communal facilities and services to be provided.

- The Gasworks – a new build site at the former gasworks site in Grangetown (48 units), first block to be completed by June 2021.
 - Harrison Avenue in St Mellons, a United Welsh new build site. (19 units). This project is due to be delivered winter 21.
33. All 3 sites have achieved Welsh Government phase 2 capital funding, subject to terms and conditions, and revenue costs will be met by a combination of Housing Benefit and Housing Support Grant.
34. Cardiff is taking part in the Welsh Government's pilot leasing scheme. 67 properties will be leased for a period of 5 years to provide longer term more stable accommodation for homeless families. This scheme has commenced and a number of landlords are currently going through the process of signing up to the scheme.
35. Further work is needed to fully develop the rapid rehousing model for families, this will require changes to the social housing allocations and lettings and greater use of the private rented sector in both Cardiff and the surrounding area. These proposals will form the subject of a future cabinet report.

Consultation

36. A range of partners were consulted about the planned use of the YHA site as a homeless hostel, including police, probation, housing associations and health colleagues. No major issues were raised, it was noted that since the opening of the YHA as a homeless facility only 17 police occurrences had taken place at the facility, significantly less than at other sites. Several partners asked to be involved in the further development of the scheme and this will be facilitated.

Local Member consultation

37. The local ward member for Butetown was consulted about the purchase. While recognising the need for the provision, concern was expressed about the current hostel provision in the area and the issues that they cause in the community. The closure of one of the existing hostels was proposed, with the YHA to be a replacement.
38. The YHA is a mile distant from the existing hostels in Butetown and is considered to be in a more isolated position and less likely to impact on the local community. It is acknowledged that the current hostels at the top of Bute Street & Dumballs Road do cause issues for the local community and as set out in this report a review of the Huggard buildings is currently being carried out, this will reduce footfall into the area and improve the management of the site. A commitment has been made to involve the local ward member in this development.
39. While it is not possible to consider closing any provision at present due to the very significant pressure on homeless services for single people at present the community impact of the facilities at the top of Bute Street / Dumballs Road will be kept under review.

40. Splott ward Members were also consulted regarding the proposals due to the proximity of the ward boundary, no issues were raised with the proposals.

Reason for Recommendations

41. To update on progress on a range of measures being taken to address homelessness in Cardiff and to set out a further proposal, the purchase of the YHA hotel, to ensure the progress made in addressing homelessness is sustained.

Financial Implications

42. The report provides an update on scheme progress for the various single person and family homelessness measures and includes updated detail of funding applications approved, subject to related grant terms and conditions.
43. An additional indicative amount of Housing Support Grant of £5.243 million has recently been announced for Cardiff, subject to submission of an acceptable Spend Plan and supporting information. In addition, the Phase 2 Capital Allocation has been confirmed as £12.048 million, subject to a formal grant award following the required submission of design plans.
44. This funding will be used for the planned range of homelessness and housing schemes for the Housing Revenue Account and Housing General Fund. It is essential that any costs of activities and other services planned to support the provision of housing accommodation in the way of personal support functions are funded within the Housing General Fund and budgeted for as such in accordance with eligibility criteria. This includes the proposed range of multi-disciplinary and complex need specialist support such as health and therapeutic services.
45. As part of ongoing service delivery, the continued affordability and risks to continuity of receipt of related grant funding should be periodically reviewed in line with the budget setting process.
46. The report also sets out the proposal for the purchase of the YHA hotel. A sum of £6.4 million is currently assumed within the draft HRA Capital Programme 2021/22 for the acquisition of the hotel. The purchase price, as well as associated costs such as Land Transaction Tax are shown in Appendix 3. Any completion of acquisition will need to be subject to approval of the capital programme as part of the updated budget framework in March 2021. The ongoing revenue costs of this single person homelessness scheme are assumed to be met by Housing Support Grant and Housing Benefit receipts.
47. It is essential that the acquisition proposal is fully understood in terms of the VAT status prior to any completion.

48. The report also refers to the Private Rental Sector leasing scheme which is underway with Cardiff Council acting as a pathfinder for the scheme. Up to 67 properties will be leased within the private rented sector, with grants and loans being made available to landlords to bring the properties up to standard.
49. Cardiff Council will administer the grants and loans and will have responsibility for marketing and securing of the properties, placing tenants and management and maintenance of the property during the 5 year lease term. Funding is provided by the Welsh Government for administration and tenancy support, as well as cover for void losses, default on payment and any repairs and damage to the properties.
50. Future developments proposed in this report such as the review of the services provided at the Huggard buildings and Dumballs Road will need to be subject to an option appraisal and development of a detailed business case in order to understand the service and financial implications.

Legal Implications

51. The Council has general power under s.120 of the Local Government Act 1972 to acquire land for any of its functions. The Council's Disposal and Acquisition of Land Procedure Rules requires the decision maker to have regard to advice from a qualified valuer.
52. A local housing authority has duties to the homeless under Part 2 of the Housing (Wales) Act 2014. A local housing authority must carry out a homelessness review for its area, and formulate and adopt a homelessness strategy based on the results of that review. They must carry out an assessment of a person's case, if the person has applied to a local housing authority for accommodation or help in retaining or obtaining accommodation, and it appears to the authority that the person may be homeless or threatened with homelessness.

Equalities Impact Assessment/public duties

53. The Council has to satisfy its public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties) – the Public Sector Equality Duties (PSED). These duties require the Council to have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of 'protected characteristics'. The 'Protected characteristics' are: • Age • Gender reassignment • Sex • Race – including ethnic or national origin, colour or nationality • Disability • Pregnancy and maternity • Marriage and civil partnership • Sexual orientation • Religion or belief – including lack of belief.

Well Being of Future Generations (Wales) Act 2015

54. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-

being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.

55. In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals. The well being objectives are set out in Cardiff's Corporate Plan. When exercising its functions, the Council is required to take all reasonable steps to meet its well being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
56. The well being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
- Look to the long term
 - Focus on prevention by understanding the root causes of problems
 - Deliver an integrated approach to achieving the 7 national well-being goals
 - Work in collaboration with others to find shared sustainable solutions
 - Involve people from all sections of the community in the decisions which affect them
57. The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

Welsh Language

58. The decision maker should also have regard to, when making its decision, to the Council's wider obligations under the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.

Property Implications

59. At the outset of Covid, the Council took a three months Licence to Occupy the YHA, and this was renewed in June for a further six months with a break clause in September. During this time, the Council ascertained the benefits of the building in offering the service in this particular location and discussions have taken place on the acquisition of the freehold interest. A valuation report has been prepared enabling the Council to make an offer for the freehold interest. Relevant due diligence

needs to be undertaken as to the condition of the building prior to acquisition. In order to allow the Council and YHA time to consider this proposal, a further Licence to Occupy was granted in December 2020.

HR Implications

60. Initial consultation has taken place with Trade Unions and affected staff. Further detailed consultation will be undertaken as plans are progressed. Any staffing changes will be carried out in accordance with corporately agreed policies and procedures.

RECOMMENDATIONS

Cabinet is recommended to:

1. Note the update on the progress with delivering the new homeless accommodation and support services
2. Agree the purchase of the YHA hotel for use as homeless accommodation.
3. delegate responsibility to the Director Adults, Housing and Communities to take forward all aspects of the purchase of the YHA building.

SENIOR RESPONSIBLE OFFICER	Jane Thomas Director Adults Housing & Communities
	19 February 2021

The following appendices are attached:

- Confidential Appendix 1 – Valuation Report YHA Cardiff Central Hostel
- Confidential Appendix 2 – Revenue costs of the YHA
- Confidential Appendix 3 – Capital Costs and Viability Report
- Confidential Appendix 4 – Heads of Terms

The following Background Papers have been taken into account

- Cabinet Report – Homelessness: The Response to the COVID 19 Crisis and Delivering the Future Service Model 16 July 2020
- Welsh Government – Homelessness Phase 2 Guidance