

BUSINESS SUPPORT OVERVIEW AND SCRUTINY COMMITTEE

25 MAY 2010

REVIEW OF SUPPORT FOR PEOPLE IN TEMPORARY ACCOMMODATION - UPDATE ON ASSESSMENT CENTRE

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Summary

To provide an update on the work being carried out for the feasibility study of an assessment centre for temporary accommodation, following on from the recent task group.

1. Budget and Policy Framework

This is an update report. However any decision to be made will be within the budget and policy framework and will be for Cabinet to consider.

2. Background

- 2.1 The Overview and Scrutiny task group completed a review into the support provided for those in temporary accommodation in October 2009. A key recommendation was

“that the Assistant Director, Housing and Corporate Services is asked to commission a feasibility study into the potential for developing an assessment centre for people requiring temporary accommodation in Medway, in conjunction with partners in the voluntary sector. The study should also look at reviewing current properties in Medway to assess whether any would be suitable to host such a centre.”

- 2.2 A consultant was appointed to carry out this work and this report sets out the summary outcomes.

- 2.3 The additional recommendations set out in the report that went to the 15 October 2009 Business Support Overview and Scrutiny meeting and more

subsequently agreed by Cabinet on 3 November 2010, will be addressed at the 8 July 2010 meeting of this committee.

3. Summary Outcomes

- 3.1 Under the current arrangements, whereby the Council acquires B&B accommodation across the borough, all homeless persons and families irrespective of their age or vulnerability often have to be accommodated in the same premises. This is both an expensive option and is considered undesirable for many of the clients involved.

Ideally two assessment centres would be preferred which would allow the Council to separate families and young single persons from older single persons. Ashford is known to already have an emergency assessment centre as has Southampton, which was visited by the Council's Business Support Overview & Scrutiny Committee last year. This feasibility study was itself recommended following that visit.

Each centre would need to be equipped with a shared kitchen, toilet and laundry facilities as well as an office possibly for a part time Support Worker and assessment staff to meet clients.

In terms of the location for the assessment centres, Chatham and Gillingham would be preferred as these are the most deprived areas creating the greatest need for a homeless service.

- 3.2 The feasibility study has been broken down into different stages as follows:-

3.2.1 Stage 1 – Benchmarking:

This is an important first step because it will identify current processes, unit costs and current demand and provide a basis for assessing how these can be expected to increase over time. Council officers have therefore been working closely with the Consultant and are currently compiling the following:

- An assessment of previous and current demand for EA. This requires intensive desk work separating out the relevant data from all the expansive and detailed information held by the Council's Housing Solutions Team. With over 1000 homeless cases to evaluate over the 3 year period required, and given the recent sickness and disposition of one of the team's most experienced officers, this work had proven difficult to complete within the time frame initially agreed.
- A process map to identify unit costs, timeframes and staffing inputs from the time a homeless application is first lodged with the Council until the applicant is moved into TA. Two maps are being prepared, one based upon a single male applicant and the other on a female lone parent applicant, these being the highest users of the Council's homelessness service. These will

assist the Consultant to identify any scope for efficiency within each of the options to be examined.

➤ The average current cost of acquiring EA with regard to the different types their size, location and availability, together with projected cost increases during the planning horizon. This is also a complex piece of work because the management accounts for the service do not separate out the homeless pre-assessment costs from the service as a whole. These will therefore have to be evaluated as a part of a desk exercise. Once completed, this information will provide the fundamental cost comparator required to assess whether alternative options are financially worthwhile.

3.2.2 Stage 2 – The Options Appraisal:

Once the findings of Stage 1 have been agreed by the Committee, the Consultant will compile a long list of potential options, outlining the benefits, disadvantages and other relevant information. This will be undertaken with input from the Council's officers working in housing, planning and property services through telephone interviews, personal meetings or from a joint workshop, depending upon staff availability.

These options will need to include any underused Council assets, the acquisition of new assets and the use of assets that may be available from public or private suppliers. The opportunity to lever in economies of scale through joint working, partnerships and shared services will also be examined.

Individuals or organisations responsible for managing any asset identified as a potential option may need to be contacted either by Council officers or the Consultant to assess viability and interest. Some will be eliminated, but more detailed discussion will be arranged with those stakeholders willing to explore the concept further. Preliminary proposals will be developed where the outcome of those discussions prove positive.

Premises may also need to be visited, again either by the Consultant or Council officers, to assess any major works or alterations that may be required, the extent, quality and reliability of any current operation taking place, the location and such other factors that may have a bearing upon their use as EA. An assessment will also have to be made on availability, barriers, planning constraints etc. which may restrict the Council from progressing from feasibility to operation.

All this information will then be compiled into a comprehensive options appraisal with the Consultants recommendations as to which options are taken forward into stage 3.

3.3.3. Stage 3 – The Financial Assessment:

It has been agreed with the Consultant that all estimates of the capital and revenue costs of any agreed option will be compiled by Council officers.

Capital costs will need to include any development, construction or repair work required to the proposed building and any fitting out, equipment, furniture, catering facilities etc. Estimates of the time required to complete those works together with any constraints which may create delays will have also have to be assessed to provide expenditure forecasts.

Revenue costs will need to incorporate fixed costs such as business rates and/or ground rents where applicable, routine maintenance, Council overheads and any contribution required towards corporate costs etc. Operational costs will need to incorporate staffing, catering, transport, allowances for daily repairs and maintenance etc.

Once these costs are available, the Consultant will prepare a financial assessment of the approved short list of those options to include:

- Both capital and revenue costs with a comparison of each option against the current costs to identify any savings available.
- The anticipated time required to achieve pay back on any capital funding required, and
- Details of any financial incentives which the Council may be able to lever in to offset those costs.

The Consultant will conclude the study by preparing a final report summarising the findings and recommendations.

4. Risk Management

There are no immediate risk implications arising directly from this report. A full risk analysis will be carried out on the completion of Stage One.

5. Financial and Legal implications

- 5.1 There are no financial or legal implications arising directly from this report.

6. Recommendations

- 6.1 Members are asked to note that the work carried out at Stage One will be brought to the Committee on 8 July 2010.

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