

# **Economic Prosperity and Housing Sub-Committee**

**24 March 2014**

Present: Councillor SL Cox (Chair)  
Councillors W Caithness, M Madden, T Mulvenna, P Oliver  
and JI Walker.

## **EPH52/03/14 Apologies**

Apologies were received from Councillors W Lott, J McLaughlin, A McMullen and J O'Shea.

## **EPH53/03/14 Substitute Members**

There were no substitute Members reported.

## **EPH54/03/14 Declarations of Interest**

There were no declarations of interest made.

## **EPH55/03/14 Minutes**

The Minutes of the meeting held on 24 February 2014, were confirmed as a correct record and signed by the Chair.

## **EPH56/03/14 Quality Homes for Older People – Update**

The Sub-Committee was informed that the Quality Homes for Older People Contract would be signed that evening. It was expected that funding would be released on 26 March 2014, with work starting on site on 31 March 2014.

Regular update reports would be brought to the Sub-Committee for consideration.

The Sub-Committee welcomed the progress.

## **EPH57/03/14 Delivering Affordable Homes – Update**

The Sub-Committee considered a report which had been considered by Cabinet at its meeting on 10 March 2014 (Minute CAB202/03/14 refers). The report provided an update on the Affordable Homes Programme and included initiatives which were already underway and proposed for the future.

Cabinet had noted the progress made in delivering more affordable homes during 2013/14; the development of the Affordable Housing Needs Assessment Tool; and the application of the Design Standard principles.

The report detailed progress on affordable housing delivery in 2013/14 and provided information on:

- New affordable housing
- Designing new affordable housing for North Tyneside
- Land availability assessment
- Assessing the need for affordable housing

- Section 106 Agreements

The report also detailed the next steps in the development of Phase 3 of the Affordable Homes Programme, which were:

- Bringing empty properties into use as affordable housing
- Wallsend Town Centre
- Working with Registered Providers
  - Homes and Communities Agency Affordable Homes Programme 2015-2018
  - Gentoo Proposal-Avon Avenue, North Shields
- Local Growth Fund bids

The report also detailed ongoing work on community lets and recreation rooms and the appraisal of delivery models.

Cabinet had agreed the following:

- grant authorisation for terms of leases to be agreed and leases or other legal arrangements entered in to, to enable privately owned long term empty properties, to be bought back into use and to declare sites, deemed surplus to the Authority's requirements and suitable for development by a registered provider available for sale by private treaty to the agreed Registered Providers;
- the final terms of disposal of sites declared surplus by private treaty to secure best consideration;
- to complete negotiations for the sale of surplus sites to agreed Registered Providers in accordance with all relevant legal requirements, the Authority's Constitution and Financial Regulations;
- to support bids by Registered Providers to the Homes and Community Agency for Affordable Housing Grant in line with the approach set out in the report;
- additional sites to be included in the programme to deliver new affordable housing, as appropriate.
- to enter into a leasing arrangement for 31 Avon Avenue, and an option to purchase in respect of 33 and 35 Avon Avenue in accordance with the principles set out in the report, and authorisation to agree final terms of the leasing arrangement and option to purchase; complete matters in accordance with all relevant legal requirements, the Authority's Constitution and Financial Regulations; and to deal with all ancillary matters;
- that authorisation be sought from full Council to approve the acceptance of financial support offered by the Local Growth Fund, should the bid be successful along with details of any match funding required by the Authority.

The Sub-Committee welcomed the work already undertaken together with that proposed for the future. It acknowledged that there was a long way to go and much more work to be done to achieve the target of 5,000 properties over the next 10 years

The Sub-Committee noted the report.

### **EPH57/03/14 Local Welfare Provision and Housing Gateway - Update (Previous Minute EPH15/07/13)**

The Sub-Committee considered a report which provided an update on Local Welfare Provision and the reduction of the Supporting People Budget and the impact on Housing Support Services.

#### Local Welfare Provision

The report outlined the budgets available for 2013/14 and 2014/15 and the Change, Efficiency and Improvement Programme efficiencies identified for 2014/15 and detailed the issues arising from the Government's announcement that the Social Fund Grant would no longer be available after April 2015. The report also provided information outlining funding reductions to the budget available for housing related support services.

The Local Welfare Provision Service, operated by Adult Social Care, had been created to replace the old DWP administered system for the provision of Crisis Loans and Community Care Grants. In developing the service, the Authority had spent time assessing the impact of the range of changes proposed by the reform of the welfare benefits system.

In localising the support for Crisis Loans and Community Care Grants, the Government was satisfied that local authorities were better placed to provide assistance to those in crisis, as many of the reasons for making an application were linked to wider services that councils already provided and/or commissioned. It was also envisaged that local control would ensure that best use was made of the limited funding available.

Local authorities had been encouraged to:

- Work in partnership with the local Third Sector to develop schemes;
- Explore a range of in-kind support and link to advice, information and advocacy; and
- Explore a full range of models for delivery.

Localising the provision of the service had provided authorities with opportunities to build on contact with those people facing crisis situations, to help them prevent repeat episodes and to maximise the value of the funding available. In North Tyneside the service had been designed to provide a single approach to prevention, aligning the use of funds to existing care and support provision.

Grant funding for the service from central government had been allocated as follows:

#### **2013/14**

Programme funding £716,790

Administrative funding £151,463

#### **2014/15**

Programme funding £716,790

Administrative funding £138,832

As part of the 2014/15 budget setting process a budget of £100,000 had been allocated for providing immediate practical support for those customers in crisis. It was predicted that this figure would meet the demand forecast for the service, based upon activity levels in the first year of delivery. The remainder of the grant had been offered up as an efficiency saving. This had been possible as demand for the service had significantly reduced since the responsibility transferred from the DWP to the Council. This was due in part to cash not being offered to claimants and also because of the stricter eligibility criteria that had been put in place. Whilst there had been some criticism from external parties that the eligibility criteria may have been set too tightly, the Council considered that this cautious approach appeared to have proved prudent specifically as grant funding for the service would not be available from April 2015.

Moving forward, information from the Department for Work and Pensions had clarified that Local Authorities could choose to continue to provide support of this type in their local area, but where they chose to do so, they would have to fund it from within their own revenue budget.

The overarching aim of the service was to assist individuals to improve their personal resilience in terms of preventing them reaching a crisis point and to provide prompt practical assistance if there was a risk of significant harm. An early decision had been

taken to provide practical assistance in the form of goods and services rather than cash or cash substitutes. There was also no attempt to recover any form of assistance given, given the prohibitive costs involved in establishing a system to do this and the potential for non-payment.

The current service model was through two types of award; a crisis award and a resettlement award. Demand had been monitored and from the experience of the first 10 months of operation, Adult Social Care considered that the current level of support offered was appropriate to meet demand.

The service had been set up with some exclusion criteria. The rationale for this was that support was available from alternative sources, or that significant harm would not be caused if support was not provided. This is in line with those policies adopted by other authorities regionally. However following feedback from customers and partners, the service revised the criteria in July 2013 and had included some categories which would be considered on a case by case basis. The service had also clarified the standard items included in the resettlement award pack.

The main focus of the work of the team to date had been in terms of identifying barriers for customers trying to navigate the systems of DWP to achieve a positive outcome, and working with customers around having benefit sanctions lifted. This aspect of service was of greater importance than originally envisaged and was resource intensive in terms of staff time. Customers who were assessed as not being eligible for practical assistance were still provided with this element of the service.

The report provided details of the assessments undertaken and assistance provided since the introduction of the service. It also gave examples of reasons given for needing assistance.

The team dealing with Local Welfare Provision also managed the Bed and Breakfast Project, access to supported accommodation, and the provision of complex benefit advice. To date the funding from the Social Fund Grant had been used to fund the team and to support all of this activity. The cost of the team was currently £230,000 per annum and the estimated cost of immediate practical support was a further £100,000. In addition to providing advice and information and signposting customers to other forms of community support, which helped them to manage better, the team had also directly increased income to people in North Tyneside by £333,500 which had improved their individual resilience.

Adult Social Care intended taking a report to Cabinet to request consideration of the impact on vulnerable people of the loss of this funding, and to provide possible options for the future. The loss of the Social Fund Grant had also been built into the Council's Financial Planning process for 2015-18.

### Supporting People Budget and Impact on Housing Support Services

Introduced in April 2003, Supporting People (SP) provided housing related support to over 1.2 million vulnerable people, enabling them to live more independently and successfully manage their tenancies, avoiding institutional care. It also was aimed at avoiding the costs of care and support being met through Housing Benefit.

The SP Grant brought together a range of disparate funding streams (detailed in the report) from across government into one central pot, transferred to local authorities who were charged with leading, in partnership with Health, Housing and Probation commissioning arrangements for housing related support.

The ring-fence for SP funding had been removed in April 2009, as there were concerns that the way services were delivered encouraged a silo-approach to housing support and precluded opportunities for mainstreaming lessons throughout adult social care and other related services. Never-the-less there was serious concerns that the removal of the ring-

fence would allow councils to use the budget to support other service areas or to cover funding shortfalls due to unprecedented budget cuts.

At the outset of the programme in 2003, the SP budget in North Tyneside was £9.2m. Since then it had gradually reduced, through a combination of funding reductions from the Department for Communities and Local Government, (CLG) and some internal efficiency savings, until 2010/11, when it stood at £8.3m.

Savings had been achieved through a mixture of decommissioning services which were outdated and produced poor outcomes and through a reduction in the overall level of service provision. To help manage demand and to ensure the effective use of services, the Adult Social Care Gateway team had provided a 'gate-keeping' function, which had ensured that those remaining services had been targeted to those most in need.

The current (2013/14) SP budget was £3.4m, of which £1.5m was used to fund services for socially disadvantaged customers, the remainder having been mainstreamed to provide longer-term housing related support to people with learning disabilities, mental health and older people.

The service area had a further efficiency for 2014/15 of £500k. However Public Health would be making a £250k contribution from the Public Health Grant to the service area, which would leave a residual commissioning budget of £1.250m for socially excluded and vulnerable client groups. Work had been undertaken with the existing providers and support services to negotiate individual efficiencies, which sought to minimise the impact on front line services and had in the main been achieved through re-configuration of existing services. This would enable Adult Social Care to put in place interim 1 year contracts for 2014/15, until such time that the service could be re-tendered.

To progress the re-tendering exercise, existing services were being reviewed and a new model of service provision would be drawn up which would seek to ensure that support was directed to those most in need and that the new services provided a more flexible and personalised model of support for the client group.

Once the work was concluded a report on the re-commissioning exercise and the future service delivery model would be presented to Cabinet for consideration.

The Sub-Committee welcomed the report but had serious concerns that the majority of the funding was being used as a General Fund efficiency saving. Concern was also raised on the implications to the Authority once the funding ceased in April 2015. The service provided was important and needed, but how would it be funded in the future?

**EPH58/03/14      Next Meeting**

Tuesday, 29 April 2014 at 6.00pm. (Provisional)