

Committee/Meeting: Cabinet	Date: 3 rd July 2013	Classification: Unrestricted	Report No: CAB 006/134
Report of: Anne Canning, Corporate Director of Education Social Care and Wellbeing		Title: Hostels Commissioning Plan	
Originating officer(s) Deborah Cohen Service Head, Commissioning and Strategy		Wards Affected: All	
Lead Member	Cllr Asad		
Community Plan Theme	A Healthy Community		
Strategic Priority	Strategic Partnerships and Better Procurement Enabling People to Live Independently		

1. **SUMMARY**

This report sets out the future design of the hostel sector and the related Hostels Commissioning Plan. The last Hostels Plan was published in 2008 and this new Plan builds on the achievements and changes in the population of the last 5 years.

2. **DECISIONS REQUIRED**

The Mayor in Cabinet is recommended to agree the updated Hostels Commissioning Plan attached as appendix 2 and the future design of the hostel sector in readiness for the next procurement. The Hostels Commissioning Plan and recommendations therein will be subject to a formal consultation period following this.

3. **REASONS FOR THE DECISIONS**

- 3.1 The Hostel Commissioning Plan will inform the commissioning approach to hostel services, as they are tendered during the next three year period. As current contracts are due to expire during this year, this plan sets out our future requirements for these services. The Plan establishes the continued need for a hostel sector, the size and range of services needed and how they will align with statutory services in supporting some of our most vulnerable residents.

4. **ALTERNATIVE OPTIONS**

- 4.1 Current contracts are due to expire during this financial year, and therefore a clear strategic framework is required to inform the

commissioning activities. This commissioning activity has a further savings target of £0.225m to be delivered in 2013/14 through re-commissioning of hostel services. Should the commissioning plan not be agreed, in whole or in part, it will not be possible to deliver the savings in this way. As the changes are also designed to address changing need and growth pressures, not agreeing the commissioning plan may also lead to a risk of additional cost pressures.

5. **BACKGROUND**

5.1 **What Are Supporting People Services?**

Supporting People services support vulnerable people to access and maintain settled accommodation. Set up as a national scheme in 2003 by the CLG, broad spectrums of vulnerable groups are covered by the programme. Services are provided for the homeless and rough sleepers, young people leaving care or at risk (including teenage parents), older people, people with mental health needs, physical and learning disabilities, people with substance misuse issues, ex-offenders and women fleeing domestic violence.

This Commissioning Plan focuses on the **14¹** Hostels for the single homeless and rough sleepers including complex substance misuse.

Hostels	Units	Main focus / client group
Booth House	150	men only
Daniel Gilbert Hse	95	men & women
Dellow Hostel	58	men & women
Edward Gibbons Hse	35	Higher needs, mainly alcohol (mixed, mainly men)
Hackney Road	35	Higher needs, mainly drug issues (men & women)
Hopetown	118	women
Riverside House	31	abstinent/ dry recovery project (primarily men)
Caplin House	8	abstinent and recovery (men & women)
Nacro Offenders	20	Ex offenders- mixed
Providence House	32	Older (over 50), men & women, Permanent
	583	Or 640 including New Belvedere House
Hostel Move On Services		
Bridge House	8	Single homeless, abstinent and recovery (men)
Buxton St	48	low, long term supported accommodation
Sonning and Culham	34	low, long term supported accommodation
Total units	90	

5.2 Tackling and preventing homelessness is a key priority for the Tower Hamlets Partnership and vital in achieving the Community Plan vision of improving the lives of local people. These services provide a vital

¹ Note that New Belvedere House has not been included in recognition of its unique status as a National Service for ex service men.

role in supporting the Council's ability to meet its statutory duty for those with critical and substantial needs, as well as improving its offer to those vulnerable people in the Borough. At any one time these services will be providing support to **673** vulnerable people in hostel schemes. In the period 2011-2012 alone **1166** vulnerable people used one or more of these services to improve or maintain the quality of their lives.

5.3 In the provision of support, the programme helps the most vulnerable and excluded to contribute to wider society by focusing on achieving positive outcomes for individuals:

- Reducing rough sleeping or other forms of homelessness;
- Reducing repeat homelessness; supporting individuals into permanent independent living;
- Preventing homelessness through eviction;
- Reducing the need for institutional types of care, for example residential or nursing care;
- Tackling social exclusion by improving access to paid employment, education and training opportunities;
- Tackling substance abuse in partnership with agencies providing treatment; and
- Reducing re-offending and promoting community safety, by meeting the housing-related support needs of offenders.

5.4 A popular misconception is that hostels support people from outside of Tower Hamlets. This is not the case; since 2011 referrals into hostels have almost exclusively been routed through the Housing Options Singles Team (HOST), based in the boroughs Homeless Service. This change has had a significant impact on the profile of those who are referred to hostels who now generally have a high to medium support need and will have a local connection to the Borough. Previously those with lower support needs had been able to access hostel accommodation.

6. Summary of the main recommendations in the Plan

The last Hostels Plan was published in 2008; this new Commissioning Plan builds on the achievements of the last 5 years. In summary, the Commissioning Plan recommends:

- A. Reducing the number of hostel beds slightly from 583 to in the region of 563. In reality this equates to a reduction of 178 beds (from 741) as Aldgate hostel was closed earlier this year.
- B. Reconfiguring the sector to more effectively meet the increased complexity in needs and to better align the provision to local demands. Specific recommendations include:

- Ensuring Hope Town Hostel is able to meet the demands of a diverse group of women, many of whom have complex needs. We will explore options with the Salvation Army Housing Association to separate the provision for women with complex needs and those who require an abstinence based service and tailoring a specific service for women engaged in prostitution.
- Reducing the number of male abstinence beds. There are 3 hostels which currently provide an abstinent environment, reducing to one under these new proposals.
- Increasing provision for chaotic individuals who have experienced multiple exclusions, both by setting up a specific service but also ensuring other services are modelled to address this need which will also include people with diagnosed and undiagnosed mental health issues.
- Registering the service at Edward Gibbons House with the CQC, and redesigning this to provide for men who have physical and mental health needs associated with long term alcohol dependency. This will enable to service to more effectively address personal care needs often associated with chaotic and non-functioning alcoholism.

This scheme will also pilot the principles of psychological environments in both the provision of the service and by making improvements to the physical layout of the building.

- Increasing the sectors capacity to work with people with drug misuse needs. Particularly hostel provision in which recovery can take place.
 - The introduction of an assessment service as a pathway into hostel services to enable us to manage a significantly reduced hostel sector. People will progress quickly into independent accommodation and will be diverted into other forms of housing where appropriate.
 - Remodelling services to ensure the younger hostel residents can be supported in a distinct hostel that is separate from main stream provision, in recognition of their specific needs. This will be provided at Daniel Gilbert House
- C. The removal of any potential incentive to stay in a hostel as a means of obtaining “fast track” access into social housing by supporting hostel residents into the private rented sector. This will require the commissioning of a rent deposit service and extending the floating support service to work with people in their own homes as an alternative to hostel accommodation.

Both of these proposals will be funded via savings in the tendering of hostel services.

- D. To put in place pathways and strengthen joint working to address inequality in access to, and take up of, health and social care services by:
- Commissioning research into how the health outcomes of rough sleepers and the homeless can be improved.
 - In recognition of the read across a number of NHS, housing and social care agendas; The Health and Well Being Board championing the Hostels Commissioning Plan and its delivery.
 - Ensuring the mental health initiatives currently underway to improve access to mental health services for the rough sleeping and hostel population have a long term sustainable model.
 - Adopting the principles of “physiologically informed environments” to improve outcomes for service users. These would see us, amongst other initiatives funding access to psychologists to work with the hostel population and providers of services to improve the engagement of some of our more complex service users.
- E. Ensuring the largest hostels, Hope Town hostel and Daniel Gilbert House are configured to provide smaller more distinct provision within their overall remit.

7. The Commissioning Plan- an Overview

- 7.1 Demand on services from vulnerable single homeless people is significant. In 2011/12 there were 3,300 approaches to the Council’s homelessness service by homeless households or those at risk of becoming homeless. Of these, 62%, or 2,050 people were single households. During 2012, 1166 vulnerable single homeless people used our services.
- 7.2 Against this backdrop, the number of hostel beds funded by the Borough has dramatically reduced by 34% over the last 6 years. In 2012 alone the sector contracted by 18% due to the closure of Aldgate hostel. This is a significant and difficult reduction to manage in terms of what we are able to offer single homeless people, and how we meet the needs of those who are most vulnerable. As a direct result of this reduction, access is now targeted at people with a clear connection to Tower Hamlets who are in most need.

- 7.3 As more and more complex individuals use our services, we will commission holistic provision as an integrated package of support with main stream social care, drugs and health agencies. In the future, Hostel services will be resourced and modelled to more effectively address this trend in increasing complexities.
- 7.4 Taking into account a number of complex and interrelated factors including GLA population projections, and economic, social and government policy changes; the next 10 year period could see a 14% increase in the demand for hostel beds. This plan sets out how these pressures will be managed within a slightly reduced sector and by making best use of existing buildings. Whilst we recognise the limitations of some of the larger hostel environments we intend to engage providers in determining innovative and flexible ways of making smaller environments through clustering and where possible reconfiguring existing buildings to make smaller more manageable units.
- 7.5 Recent research shows homeless people are more deprived than housed people in the most deprived areas. They experience lower mortality rates and are often people who have been multiply excluded. It is important to highlight the significant and inter-related health, emotional and psychological needs of hostel residents, and our need to commission services more able to work together in addressing these needs. As we embark on this reconfiguration of the sector we give further consideration to the ways in which we can improve the multi-agency approach and facilitate better outcomes for individuals.
- 7.6 The assessment model, and high support services, including a service for people with complex needs and those for people with high alcohol related needs will have a strong interface with mainstream drug, alcohol and primary care services. The key aim is to put in place a streamlined access and multi-agency assessment process with the input of key agencies such as mental health services, health services, adult social care services, and drug or alcohol services at the point of entry. This will ensure that individuals are linked into appropriate treatment at the earliest opportunity and enables individuals to progress to suitable longer term hostel, supported or independent accommodation with the engagement of statutory services as swiftly as possible.
- 7.7 For people living in hostels, the private rented sector will be the primary move on option for those able to live independently. Taking a new approach to move on is critical in meeting current and future demand for hostel placements. An efficient hostels sector needs to move people, to more independent accommodation, to prevent the hostels from silting up and ensuring that high cost provision is available for individuals who are most in need. In order to facilitate this shift it will be necessary to commission adequate provision of rent deposit

schemes able to financially support individuals to access the private rented sector.

- 7.8 In this reconfigured hostels sector, the average length of stay for all hostels will generally be shorter, with hostels set clear targets for moving individuals into a longer term sustainable housing option as soon as it practically possible.
- 7.9 We will also ensure commissioned services are better able to address complex needs service for chaotic individuals who have experienced multiple exclusions; those with diagnosed and undiagnosed mental health issues; and those men who have physical and mental health needs associated with long term alcohol dependency- registering an existing service with the CQC.
- 7.10 The 2011 Hostels Needs Survey highlights that 90% of the hostel population have a significant support need. About 57% had drug and alcohol problems (including those with dual diagnosis) and about 38% had mental health problems (including those with dual diagnosis).

This plan recognises the need to increase the sectors capacity to work with people with drug misuse needs; both for those in need of recovery and abstinence based services the need to make better use of self contained accommodation as move on and trainee flats where people stay for very short periods prior to moving into the independent sector.

8. The Procurement Plan and Timetable

- 8.1 In March 2012 Cabinet agreed the contract award for the Supporting People Framework Agreement; a type of approved providers list against which all current Supporting People contracts are being let over a three year period. As these are effectively inherited services, this is the first time most will be subject to a competitive tender of this type.²
- 8.2 The services required to support this hostel strategy are those which are covered by the Supporting People Framework. Therefore, the Framework may be easily used to support this strategy and speed up the procurement process, rather than running a full tender for each hostel.
- 8.3 The Framework Agreement is divided into a series of categories, and a service specification. When the Council requires services of the type covered by one of the categories it invites those bidders who have won the right to bid for that category to provide a price. This is described as a “mini tender”. The bidders for each category were specifically

² Supporting People Services were moved from central Government funding into a locally funded contracted framework in 2003.

approved by cabinet in the March 2012 meeting following the initial full tender when the framework was set up. Therefore the supplier that offers the best value in terms of price and quality following the mini tender is the bidder who will be awarded the provision of the relevant services for that particular hostel.

- 8.4 The commissioning timetable shows that the majority of this procurement activity will take place during the next year although delivering change of this scale within this timetable will be very challenging.

9. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 9.1 Supporting people services has a budget of approximately £13m in 2013/14. Approximately £5.4 of this is budgeted to be spent on the hostels based services that will be impacted by this hostels commissioning plan.
- 9.2 During the 2012/13, savings of over £1m were delivered through reconfiguring hostels based services, the principal element of which was the closure of the Aldgate hostel.
- 9.3 Supporting people services has a further savings target of £0.225m which needs to be delivered in 2013/14 through re-commissioning of hostels based services. Should the commissioning plan not be agreed, in whole or in part, it will not be possible to deliver the savings in this way, and the Directorate will need to look for other cost savings to meet the shortfall. As the changes are also designed to address changing need and growth pressures, not agreeing the commissioning plan may also lead to a risk of additional cost pressures.
- 9.4 The hostels commissioning plan details a number of proposals designed to set the future direction of travel for the hostels sector. Each of these proposals will have a different financial implication which will depend on testing the market and negotiations with current and potential providers. Following member approval the service will engage with relevant service providers to determine exact nature of change and its financial implication. This will then be subject to a separate member approval process.
- 9.5 At this current time, it is envisaged that there will be no additional revenue costs associated with these proposals as changes to the sector will be delivered by reconfiguring the entire portfolio of services and moving the funding around the system accordingly. It is anticipated that the tendering process will secure greater efficiency within the overall system, in excess of the savings target of £0.225m, which will enable the reinvestment required to meet the significant demands of a complex client group and divert greater numbers of homeless

individuals into the private rented sector as an alternative to hostel accommodation.

- 9.6 Within the context of diminishing capital funding the commissioning plan recommends the use of existing buildings in commissioning future services. Whilst we recognise the limitations of some of the larger hostel environments we intend to engage providers in determining innovative and flexible ways of making smaller environments through clustering and where possible reconfiguring existing buildings to make smaller more manageable units. There is likely to be a capital cost for these changes and we would expect the housing providers to meet these, whether through their own funds or grant income. However, it should be noted that careful negotiation and discussion will be required with the housing providers to secure the required level of investment. Inability to secure capital funding, the exact value of which cannot be determined at this stage, may impact on the deliverability of proposals to reconfigure buildings.

10. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE

- 10.1 As the local housing authority for Tower Hamlets, the Council has broad functions in relation to reviewing housing need, providing housing, combating overcrowding and providing accommodation to the homeless. The Council is required to provide free advice and information about homelessness, and the prevention of homelessness to people in Tower Hamlets. The provision of hostels is one means of addressing homelessness in the borough.
- 10.2 Section 3 of the Local Government Act 1999 requires best value authorities, including the Council, to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”.
- 10.3 The Public Services (Social Values) Act 2013 came into force on 31st January 2013. This requires the Council to consider how the services it commissions and procures might improve the economic, social and environmental well-being of the area.
- 10.4 The contracts are for Part B Services and so the full provisions of the Public Contract Regulations 2006 do not apply. However they are still expressly subject to the equality and transparency obligations under the Regulations and there is a requirement to have a fair and transparent process. This report explains how that has been achieved.
- 10.5 The Council has awarded the Supporting people Framework, which allows it the opportunity to commission services relatively quickly and efficiently once the service redesign has been completed in each area.

- 10.6 The Council has legal duties to ensure that each service is subject to a reasonable amount of competition and also that we obtain value for money. Again both these requirements are satisfied by the Framework arrangement.
- 10.7 Having procured the framework only those organisations who have been awarded a framework contract should be invited to bid. There is no scope to add further organisations to the framework at this stage, unless a separate competitive exercise is undertaken outside of the framework in respect of each establishment. Justification would need to be provided were this course of action adopted as whilst this right has been reserved, the Council could face complaints and potentially claims as we have raised the expectation to bidders that we will use the framework.
- 10.8 When considering the Hostels Commissioning Plan, the Council should have due regard under section 17 of the Crime and Disorder Act 1998 to the need to do all that it reasonably can to prevent –
- crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment); and
 - the misuse of drugs, alcohol and other substances in its area; and
 - re-offending in its area
- 10.9 The work done by hostels to address complex substance misuse should be considered, relevant to these considerations, as should the Tower Hamlets Substance Misuse Strategy 2012 – 2015.
- 10.10 When considering the Hostels Commissioning Plan, the Council must also have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't. An equality analysis should be prepared before presenting the Hostels Commissioning Plan to Cabinet for agreement.

11. ONE TOWER HAMLETS CONSIDERATIONS

- 11.1 The overriding aim of this plan is to make Tower Hamlets a better place by enabling people who live in hostels to achieve their potential for independent living as fully as possible, through a strong focus on recovery and building on people's skills to enable them to enter work or other meaningful types of activity, such as education or volunteering.
- 11.2 This plan places a continued focus on supporting residents to re-skill and find work; Economic and social activity being the key route to

engaging homeless people in society, and therefore the most effective pathway out of homelessness.

11.3 Providing a safe place to live is considered a key milestone in supporting women in their journey towards exiting prostitution. The Commissioning Plan supports the One Tower Hamlets team's action plan to address street prostitution and related harm in the Borough by providing hostel services for women engaged in prostitution. Specifically hostel services will work alongside other services offering targeted support for women to exit sex working and reducing related ASB.

11.4 The Framework Agreement was established in March 2012, prior to the Procurement Policy Imperatives. Whilst all Supporting People contracts continue to promote workforce diversity and equality of opportunity and are committed to paying the London Living Wage; this commissioning activity will ensure that specific community benefit clauses are delivered that create local employment and training opportunities.

In the tendering of each individual service, bidders will need to demonstrate how they are able to deliver training, apprenticeships and or employment opportunities for local residents. The delivery of this requirement will then be measured throughout the duration of the contract period.

12. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

12.1 The design, construction and running of any new facilities will follow best practice and the Council's Environmental Strategy.

13. RISK MANAGEMENT IMPLICATIONS

13.1 A major change programme : Given the scale of service redesign and the short implementation period capacity to deliver will be carefully managed to successfully implement the required changes whilst also delivering the procurement activity required. It must be noted that this is a challenging programme.

This is an accelerated programme of commissioning which may significantly impact on the capacity of suppliers to respond to the tendering processes. We are generally working with a small group of suppliers who will need to submit tender documentation and also manage the handovers within a confined period.

13.2 The separation of buildings and support services; This is the first time these support services have been subject to a competitive tendering process. In the main, the accommodation where people live

and are supported has been developed and is owned by the Support Provider. This Commissioning Plan sets out an ambitious programme of separating the support provision from the provision of accommodation; in a great many cases service users will continue to reside in the property managed by their RSL but the support provider may change as a result of the commissioning process.

We are working with Support Providers and Landlords to establish their position regarding this process as there is a risk to the continuation of the service if we are not able to secure agreement to this approach with all partners. This has to be carefully managed to ensure that all inherent risks are recognised and mitigated at the earliest opportunity; adding significant time pressures to the traditional re-tendering process.

Given we are working with a number of large Providers for example, The Salvation Army, we must note that until the procurement activity commences we can not categorically state that this approach will be successful. Where Providers refuse to agree to this approach we may need to explore alternative commissioning approaches.

13.3 Mini Tenders: TUPE and Service Transfers; whilst a Framework Agreement is in place, we are in the main tendering existing services which we wish to continue. We therefore anticipate TUPE rights will apply to the current staffing teams.

13.4 Capital Investments; There are two recommendations in the Commissioning Plan which require the Housing Providers or RSL's to work with us in reconfiguring the buildings, and may require capital investment. We are dependent on the Housing Providers willingness to work with us and invest their own capital into the buildings or to secure grant funding to facilitate these requests. Therefore recommendations will be subject to further discussion and a formal consultation process following Cabinet agreement. Should these recommendations progress there may also be a need for planning permission to facilitate these changes.

14. CRIME AND DISORDER REDUCTION IMPLICATIONS

14.1 Collaborative working with the Community Safety Teams over the last 18month period has resulted in significant reductions in incidences of anti-social behaviour around our services. This Commissioning Plan will re-iterate the importance of hostel services proactively and assertively managing any anti-social behaviour that occurs within and near to hostels and to build on this.

ASB and community safety are core functions of hostels, keeping service users, staff and local communities safe and harmonious.

Hostel providers will build on the good work underway to proactively prevent concerns of this nature arising.

14.2 The Commissioning Plan is fully aligned with local strategic aims as set out in the following documents:

Council's Community Plan – 2020 Vision
Homelessness Statement and Action Plan 2013;
AHWB Commissioning Plan 2012-2015;
Tower Hamlets Drug and Alcohol Strategy 2011;
National Substance Misuse strategy
Making Every Contact Count: A joint approach to preventing homelessness³.
No One Left Out – Ending Rough Sleeping.⁴
Integrated Offender Management Strategy.

15. EFFICIENCY STATEMENT

15.1 The plan is written at a time when we anticipate benefit reform, changes in the social housing sector and economic pressures will have a significant and detrimental impact on local homelessness. All indications are that in the forthcoming period, as social housing reform, a difficult economic environment and welfare changes come together, we are likely to experience considerable and consistent demand pressures. Addressing these challenges as public spending is reducing, makes it vital that we secure maximum efficiency and effectiveness in our commissioning activity. The Commissioning Plan recommends reconfiguration, decommissioning and an intensive programme of service redesign to deliver both efficiency and quality and improve the service user experience.

15.3 The Commissioning Plan sets the scene for the re-tendering of all hostel services. Re-tendering offers an excellent opportunity to improve services for some of the most vulnerable residents in the borough and to drive through a programme of change to deliver personalised support services offering choice and control. The commissioning timetable will deliver:

- Economically advantageous services;
- An increase in the quality of services for vulnerable people;
- Outcomes identified by the key strategic drivers; and
- Identified efficiency targets.

16. APPENDICES

Appendix 1 – Individual Hostel Recommendations
Appendix 2 Hostels Commissioning Plan

³ Department of Communities and Local Government

⁴ Department of Communities and Local Government

Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
Hostels Needs Analysis	Carrie Kilpatrick 0207 364 7513

Appendix 1 : INDIVIDUAL HOSTEL RECOMMENDATIONS

Hostel Service	Implications
<p>Hope Town: To provide the primary assessment route for women. To remodel the physical environment at the hostel to enable women with differing needs to be met in smaller environments and increase self contained units where appropriate.</p>	<p>Requires financial investment to make the physical changes. The financial investment will be from the housing providers own or grant funding.</p> <p>A redesigned service will be better able to meet the broad range of support needs and provide emergency placements.</p>
<p>Hackney Rd: 35 Bed hostel with 25 move-on flats for people with substance misuse issues. The move on flats to provide short term trainee accommodation for a maximum 6 months stay prior to moves to independence.</p>	<p>It will mean that the service users in the flats are more stable and stay for shorter periods in preparation for move on.</p>
<p>Edward Gibbons: 35 bed hostel for people with alcohol related support needs. The service to target individuals with complex needs. The scheme will be focused on recovery and be the primary service for people who misuse alcohol as well as a broader range of complex needs.</p> <p>An intensive service for people with complex needs who have long term alcohol dependency who have had repeated detox and or are not willing to engage in treatment will be provided. Consideration will be given to the service being CQC registered.</p>	<p>A service redesign and improvements to the physical environment. We will explore options to introduce the principles of the psychologically informed environments at this scheme on a pilot basis.</p>
<p>Dellow Hostel: 58 bed hostel with move on flats will provide a secondary smaller assessment service including 4 emergency bed spaces for rough sleepers. The service to be the primary service for those with mental health issues, including dual diagnosis. The move on flats to provide short term trainee accommodation for a maximum 6 months stay prior to moves to independence.</p>	<p>This maintains the status quo although it recognises and embellishes the current specialisms in mental health and dual diagnosis.</p>
<p>Daniel Gilbert: 95 bed mixed hostel will increase the self contained accommodation and reduce the overall units to 87; within this configuration the service will provide distinct service for young people.</p>	<p>Capital investment has been secured and work has commenced.</p>
<p>Riverside House: The service will continue as an abstinence based service that is open to both men and women.</p>	<p>Maintains the status quo, whilst opening access to men and women.</p>
<p>Providence House: Long term accommodation; this service will to refocus as a high support extra care type service for people with long term complex needs with access to catering provision.</p>	<p>Requires housing provider agreement and willingness to reconfigure. Will also require finances to make the physical changes (provider funded)</p>
<p>Caplin House: This Low support abstinence based service will be redesigned as a high support short stay</p>	<p>This change will enable the sector to provide an intensive service for some of the most chaotic</p>

service for chaotic individuals unable to manage in a large hostel setting and may have faced multiple exclusions.	individuals who repeatedly fail in a larger hostel environment.
Booth House: This service will provide the primary assessment pathway for the hostels sector. It will continue to provide medium Support and a medium length of stay.	A service redesign that can be accommodated within the tendering process.
Buxton Street Buxton Street- self contained properties for people who have moved via the clearing house. Decommission the support service.	Floating support can be accessed on a needs basis through the generic floating support service.
Nacro Offenders : 20 bed shared housing for ex-offenders- low support will be decommissioned, reinvest in a rent deposit service	The needs can be met in existing provision
Culham and Sonning: The accommodation will be maintained, the support service will move to a floating support model	Service User needs can more effectively be met through the provision of a floating support service.
Bridge House : 8 bed abstinence service will be remodelled to more effectively meet local need.	Remodelling of support provision

Appendix 2:

**London Borough of Tower Hamlets
Hostel Commissioning Plan 2013 - 2016**

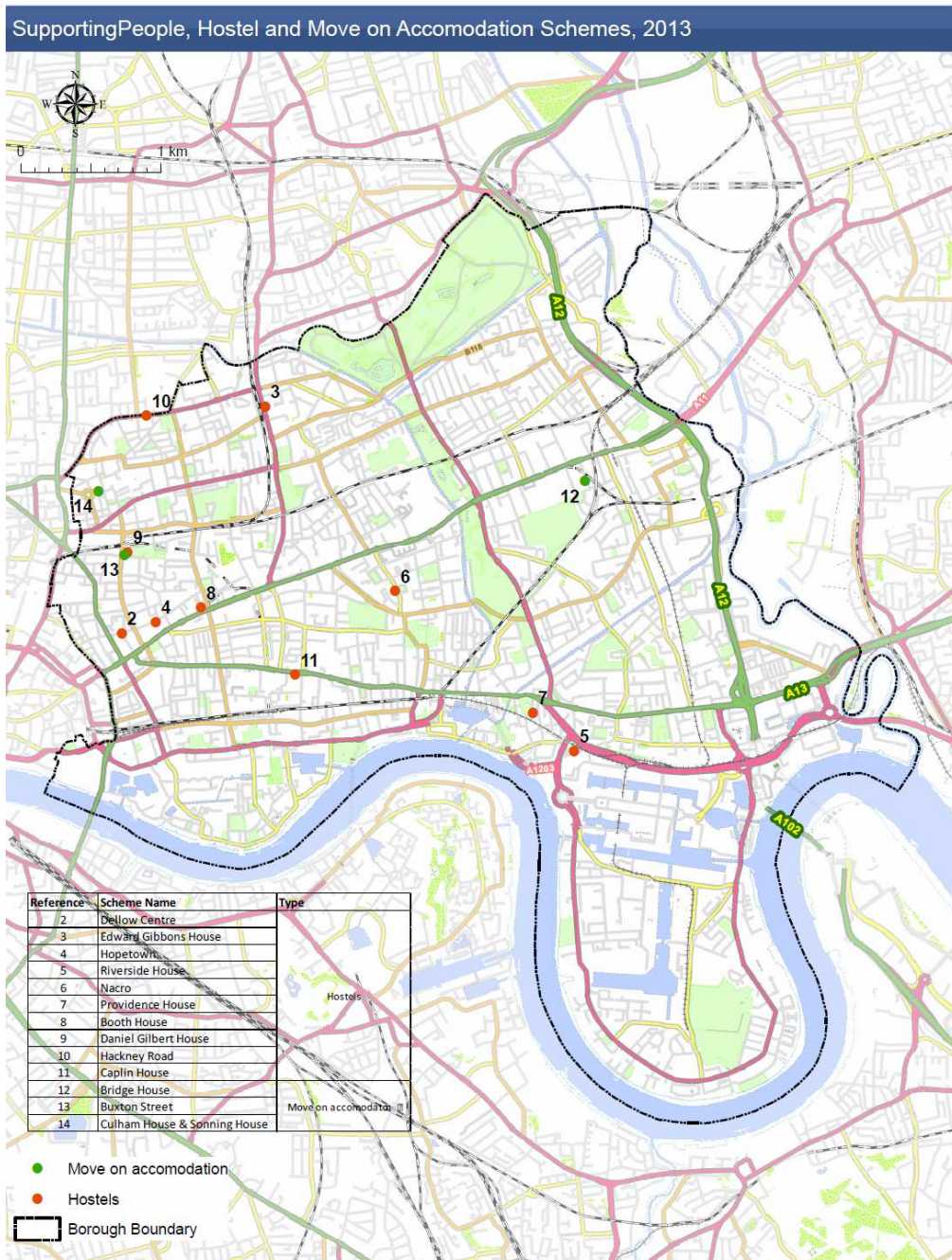


Table of Contents

Executive summary	3
Introduction and context	4
Key characteristics of the hostel sector	5
Why we need a hostel sector in Tower Hamlets	9
Projecting the need for hostels: a hostels sector for the future	12
Access routes into hostels: the assessment pathway	15
Towards independence: moving on	16
Reducing the length of hostel stays	18
Addressing complex needs	19
A future hostels sector: commissioning services	21
Making hostels positive places of change: achieving better outcomes	28
Financing the hostels sector	29
Implementation: summary of recommendations	31
Commissioning intentions	32

Executive Summary

Tackling and preventing homelessness is a key priority for the Tower Hamlets Partnership and vital in achieving the Community Plan vision of improving the lives of local people with hostel accommodation a core component of the Borough's approach. As well as addressing homelessness and its immediate cause; hostel services in Tower Hamlets are at the centre of a multi agency approach to re-integrating vulnerable people into economic and social inclusion; helping people into long term settled accommodation, reducing long term benefit dependency; increasing the numbers of people completing drug or alcohol treatment and reducing re-offending.

This Hostel Commissioning Plan will inform the commissioning approach to hostel services, as they are tendered during the next three year period. The Plan establishes the continued need for a hostel sector, the size and range of services needed and how they will align with statutory services in supporting some of our most vulnerable residents. The plan is written at a time when we anticipate benefit reform, changes in the social housing sector and economic pressures will have a significant and detrimental impact on local homelessness. All indications are that in the forthcoming period, as social housing reform, a difficult economic environment and welfare changes come together, we are likely to experience considerable and consistent demand pressures. Research commissioned by Crisis suggests that these changes combined with high unemployment are creating "the perfect storm" likely to have a significant impact on those vulnerable to homelessness. Addressing these challenges as public spending is reducing, makes it vital that we secure maximum efficiency and effectiveness in our commissioning activity.

Against this backdrop the number of hostel beds funded by the Borough has dramatically reduced by 34% over the last 6 years. Since 2011 referrals into hostels have almost exclusively been routed through the Housing Options Singles Team (HOST), based in the boroughs Homeless Service. During 2012, 1166 vulnerable single homeless people used our services. In 2012 alone the sector contracted by 18% due to the closure of Aldgate hostel. This is a significant and difficult reduction to manage in terms of what we are able to offer single homeless people, and how we meet the needs of those who are most vulnerable. As a direct result of this reduction, access is now targeted at people with a clear connection to Tower Hamlets who are in most need. Demand on services from vulnerable single homeless people is significant. In 2011/12 there were 3,300 approaches to the Council's homelessness service by homeless households or those at risk of becoming homeless. Of these, 62%, or 2,050 people were single households.

Taking into account a number of complex and interrelated factors including GLA population projections, and economic, social and government policy changes; the next 10 year period could see a 14% increase in the demand for hostel beds. This plan sets out how these pressures will be managed within a slightly reduced sector and by making best use of existing buildings. Whilst we recognise the limitations of some of the larger hostel environments we intend to engage providers in determining innovative and flexible ways of making smaller environments through clustering and where possible reconfiguring existing buildings to make smaller more manageable units.

As more and more complex individuals use our services, we will commission holistic provision as an integrated package of support with main stream social care, drugs and health agencies. In the future, Hostel services will be resourced and

modelled to more effectively address this trend in increasing complexities. Recent research shows homeless people are more deprived than housed people in the most deprived areas. They experience lower mortality rates and are often people who have been multiply excluded. It is important to highlight the significant and inter-related health, emotional and psychological needs of hostel residents, and our need to commission services more able to work together in addressing these needs. As we embark on this reconfiguration of the sector we give further consideration to the ways in which we can improve the multi-agency approach and facilitate better outcomes for individuals.

The assessment model, and high support services, including a service for people with complex needs and those for people with high alcohol related needs will have a strong interface with mainstream drug, alcohol and primary care services. The key aim is to put in place a streamlined access and multi-agency assessment process with the input of key agencies such as mental health services, health services, adult social care services, and drug or alcohol services at the point of entry. This will ensure that individuals are linked into appropriate treatment at the earliest opportunity and enables individuals to progress to suitable longer term hostel, supported or independent accommodation with the engagement of statutory services as swiftly as possible.

For people living in hostels, the private rented sector will be the primary move on option for those able to live independently. Taking a new approach to move on is critical in meeting current and future demand for hostel placements. An efficient hostels sector needs to move people, to more independent accommodation, to prevent the hostels from silting up and ensuring that high cost provision is available for individuals who are most in need. In order to facilitate this shift it will be necessary to commission adequate provision of rent deposit schemes able to financially support individuals to access the private rented sector.

In this reconfigured hostels sector, the average length of stay for all hostels will generally be shorter, with hostels set clear targets for moving individuals into a longer term sustainable housing option as soon as it practically possible.

There is an immediate and pressing need to increase the capacity of the sector to house and support those who present the most challenging behaviour, so minimising evictions and rough sleeping. In particular the sector needs to be responsive and flexible to address the complex needs of those who have substance misuse needs; mental health needs including dual diagnosis; have been rough sleeping; or are engaged in prostitution.

This plan recognises the need to increase the sectors capacity to work with people with drug misuse needs; both for those in need of recovery and abstinence based services the need to make better use of self contained accommodation as move on and trainee flats where people stay for very short periods prior to moving into the independent sector.

Anti social behaviour and community safety remain core functions of hostels and this Commissioning Plan places a renewed focus on the role of Hostel providers in ensuring they work within their communities to minimise any impact and address concerns or complaints in a timely and effective manner.

There is also a continued focus on the need for flexible and personalised approaches able to encourage independence and build on people's strengths and abilities will be a corner stone of delivering better outcomes for service users.

1. Introduction and context

1.1 The London Borough of Tower Hamlets is updating its Hostel Commissioning Plan (HCP); this is a 3 year document which will inform the commissioning approach to hostel services over the next three year period. In the context that all hostels will be re-tendered, the Hostel Commissioning Plan sets out to establish:

- Why a hostel sector is needed, considering fundamental challenges and alternative approaches;
- The size and range of services needed in a modern hostel sector and how they align with statutory services in supporting some of our most vulnerable residents;
- Who will be eligible for hostel services in the future- appropriate pathways into and out of hostels; and
- Our expectations of hostels being positive places of change for people who use our services.

1.2 **Tackling and preventing homelessness is a key priority for the Tower Hamlets Partnership** and vital in achieving the Community Plan vision of improving the lives of local people. The provision of hostel accommodation is a core component of the Borough's approach to tackling and preventing homelessness, supporting the Council in:

- Reducing statutory homelessness acceptances;
- Extending services to "non- statutory" people;
- Reducing the number of people sleeping rough;
- Tackling drug and alcohol misuse; and
- Assisting people to move-on from hostels to independent living.⁵

This plan is written at a time when we anticipate benefit reform, changes in the social housing sector and economic pressures will have a significant and detrimental impact on local homelessness. Addressing these challenges as public spending is reducing, makes it vital that we secure maximum efficiency and effectiveness in our commissioning activity.⁶

1.3 **Fewer Hostels and an increasing focus on complexity.** The number of Hostel beds funded by the Borough has dramatically reduced by 34% over the last 6 years; increasing the pressure on remaining services. As a result, access is now targeted at people with a clear connection to the Borough who are in most need. During 2012 alone, hostels provided valuable supported accommodation to 1166 vulnerable single homeless people, many of whom have a multitude of complex, social, emotional and health needs; substance misuse, mental and physical ill health, challenging behaviour, and offending co-existing in the one person.

As more and more complex individuals use our services, it is vital we address this significant increase in need; commissioning holistic provision as an integrated package of support with main stream social care, drugs and health

⁵ 330 people moved on positively from hostels during the last year.

⁶ The Council needs to make £90million savings over the next four years.

agencies. In the future, Hostel services will need to be resourced and modelled to more effectively address this trend in increasing complexities.

1.4 Positive places of change– achieving better outcomes for service users. Hostels provide a valuable and much needed service for often chaotic and complex individuals whose life experiences have culminated in homelessness and rough sleeping. Hostels are in a position to meet these needs and put a stop to the cycle of repeated homelessness. However, those who have been homeless, Hostel Providers and Commissioners, all recognise that hostels can at times encourage institutionalisation and hinder, rather than promote progress and independence by effectively warehousing people whose underlying issues often remain unaddressed.

Current good practice demands a renewed focus on achieving positive outcomes for individuals; maximising opportunities for personalisation and dynamic models of support that more effectively engage the person. In this model, service users are active not passive recipients of support, able to make real and lasting improvements in their lives. The expectation is that hostels will be places that promote positive change in individuals through motivational and inspiring staff, premises and approaches.

1.5 The Wider Strategic context. This Plan has been informed by a detailed Hostel Needs Analysis and an equality impact analysis. It is aligned with the Supporting People Strategy 2011 and builds on the Hostels Strategy 2008. These commissioning intentions are also closely informed by a number of key local and national strategies;

- Homelessness Statement and Action Plan 2013;
- AHWB Commissioning Plan 2012-2015;
- Tower Hamlets Drug and Alcohol Strategy 2011;
- National Substance Misuse strategy
- Making Every Contact Count: A joint approach to preventing homelessness⁷.
- No One Left Out – Ending Rough Sleeping.⁸
- Psychologically Informed Services for Homeless People: A Good Practice Guide 2012.

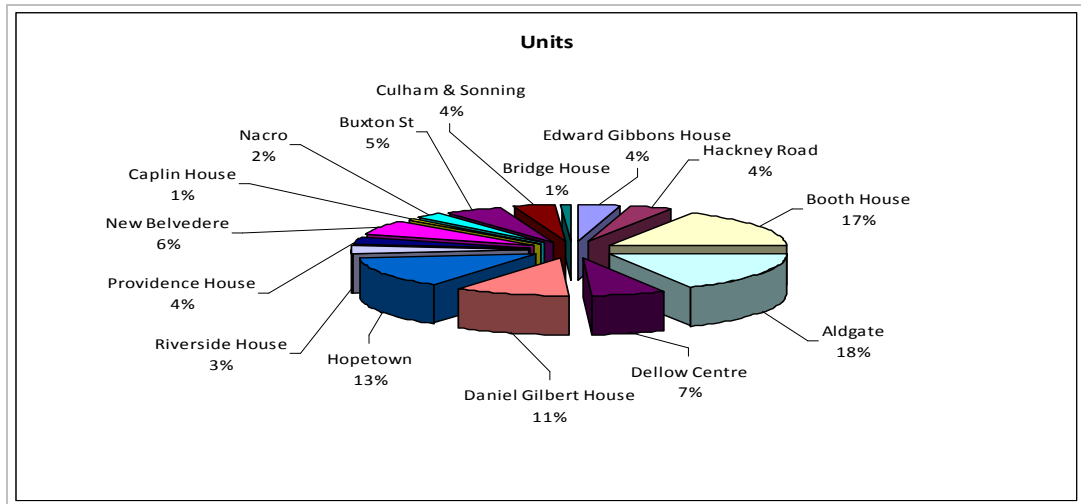
2. Key characteristics of the current hostel sector

- 2.1 Hostels are defined in this report as supported accommodation schemes that meet the needs of single homeless people, rough sleepers and people with drug and alcohol problems, rather than supported housing services which meet the needs of young people leaving care and people with mental health problems or learning disabilities.
- 2.2 As stated, the number of hostel beds has reduced by **34% from 976 to 640**. A reduction of 336 beds, due largely to Queen Victoria Seamen's Rest withdrawing from Local Authority funding and the closure of Aldgate hostel. In

⁷ Department of Communities and Local Government

⁸ Department of Communities and Local Government

2012 alone the sector contracted by 18% due to the closure of Aldgate hostel. This is a significant and difficult reduction to manage in terms of what we are able to offer single homeless people in the Borough, and how we meet the needs of those who are most vulnerable.



As a direct result, access is tightly managed to target hostel beds for those people with a clear connection with Tower Hamlets who are in most need, which means that the number of entrenched rough sleepers has reduced.

2.3 Tower Hamlets spends a total of **£5,420,566** per year on hostel services and three move on services, (based on 2013-2014 figures).

Tower Hamlets Hostels	Units	Main focus / client group
Booth House	150	men only
Daniel Gilbert House	95	men & women
Dellow Hostel	58	men & women
Edward Gibbons House	35	Higher needs, mainly alcohol (mixed, mainly men)
Hackney Road	35	Higher needs, mainly drug issues (men & women)
Hopetown	118	women
Riverside House	31	abstinent/ dry recovery project (primarily men)
Caplin House	8	abstinent and recovery (men & women)
Nacro Offenders	20	Ex offenders- mixed
Providence House	32	Older (over 50), men & women, Permanent
	583	Or 640 including New Belvedere House
Hostel Move On Services		
Bridge House	8	Single homeless, abstinent and recovery (men only)
Buxton St	48	low, long term supported accommodation (mixed).
Sonning and Culham	34	low, long term supported accommodation (mixed).
Total units	90	

Table no 1 : Hostels for the Single Homeless funded by LBTH at Jan 2013⁹

⁹ New Belvedere House has not been included (57units).it is a National service for ex-service men, not accessed by local agencies. Queen Victoria's Seamen's Rest (QVSR), is not currently funded by Tower Hamlet's- also not included.

2.4 The Borough has a long and distinguished history of voluntary sector provision for homeless people, which has led to a considerable number of hostels being developed within the Borough boundaries. This is largely due to historical factors associated with high levels of demand in Victorian London's East End (including proximity to the docks) and as a consequence, a significant number of charities and housing providers work in the area with roots going back over 100 years.¹⁰

As a result of this historical development the vast majority of services are located in a concentrated geographical area on the west of the Borough, bordering The City. Whilst their relative proximity and concentration can lead to often tense community relationships, we are restricted in our ability to change their location, instead we have to ensure that the services we commission take an active and effective leadership role in managing community relations and ensuring that their services enhance rather than have a negative impact on their community surroundings.

Another factor of this historical development means that the Borough has a number of large hostels that in a modern sector are not considered ideal in addressing a complexity of needs. Three of our hostels, Daniel Gilbert House (95 units), Booth House (150 units) and Hope Town Hostel (118 units) are of a size we would not choose to develop today. Simply by virtue of their size they can have an institutionalised feel, are difficult environments to meet the broad range of vulnerabilities which people often present with, and are not considered the most suitable services in which to provide the intensive levels of support some of our more chaotic and traumatized individuals require.

These are however, all relatively new developments; the challenge for us therefore, is how we work with the service providers of these buildings to make them less institutionalised and smaller within their overall configurations.

2.5 A profile of the hostel population

There are a number of factors which lead people to homelessness; relationship breakdown, difficult childhood experiences, unemployment, substance misuse, mental health issues and economic difficulties or unemployment. Unfortunately, for many it is often a combination of many of these; the high level of socio-economic deprivation in the borough clearly impacting on housing need and homelessness.

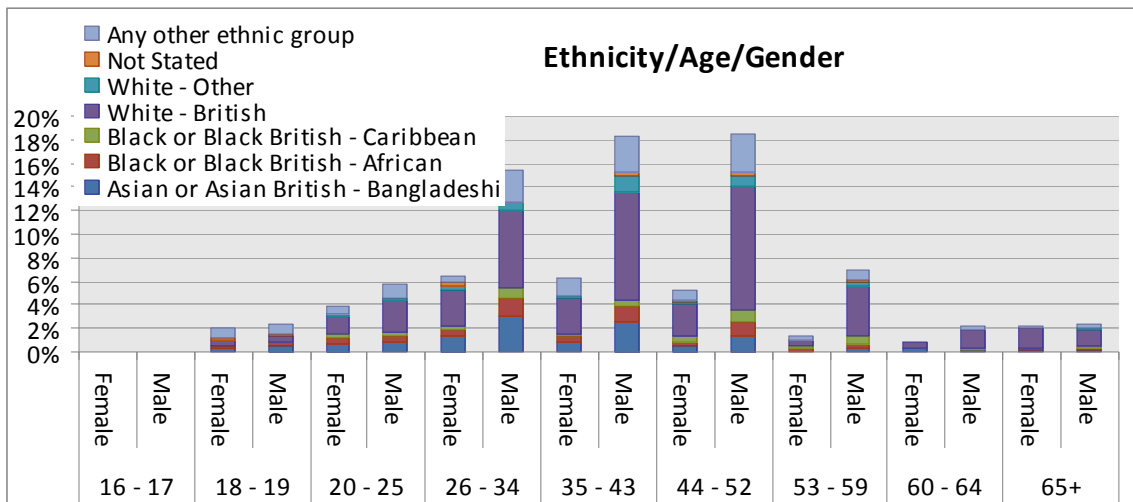
I was born in Whitechapel. My father was an alcoholic and my parents were unable to care for me or my sisters and brothers. I saw my mother and brother being beaten by my violent father and I never really got to see my mothers beautiful face or hair. I remember my mum left once to getaway and I and my sisters were left on the stairwell while my father was in the pub. We were cold and hungry and went to a neighbour's house, an old man, he began abusing my sister and we left. The next day were cold and hungry again and we went back to this mans house and I let him touch me so that my sisters could stay in the warm and would not have to experience that sort of sick and perverted behaviour.

¹⁰ Two of our hostels are named after social entrepreneurs who began providing housing for local homeless people in the 1860's- William Booth and Daniel Gilbert.

I was in care where I was sexually abused by my friend's brother, I was scared and at that time felt ashamed and disgusting. I was 16 when I met my first daughter's father; I experienced a violent and abusive relationship and began shoplifting for him, whilst in prison my daughter was adopted. I knew at the time it was for the best and I couldn't give her what she need and it wasn't fair on her. I was using heroin and crack and I was devastated when my mum died. I went worse on the heroin and crack as it helped me cope with the grief of my mum's death. I tried to commit suicide and was in a psychiatric hospital for 4 weeks. In 2003 I went to rehab for a month. In 2005 I went back to rehab and completed 6 months and met my second daughter's father. My life has been up and down, my whole life I've been in and out of prison, sexually abused but somehow found the strength to get through. I finally went to detox 5and half weeks ago and have been sober ever since the day I went to detox .Life is a lot more stable, more stable than what it really has ever been.

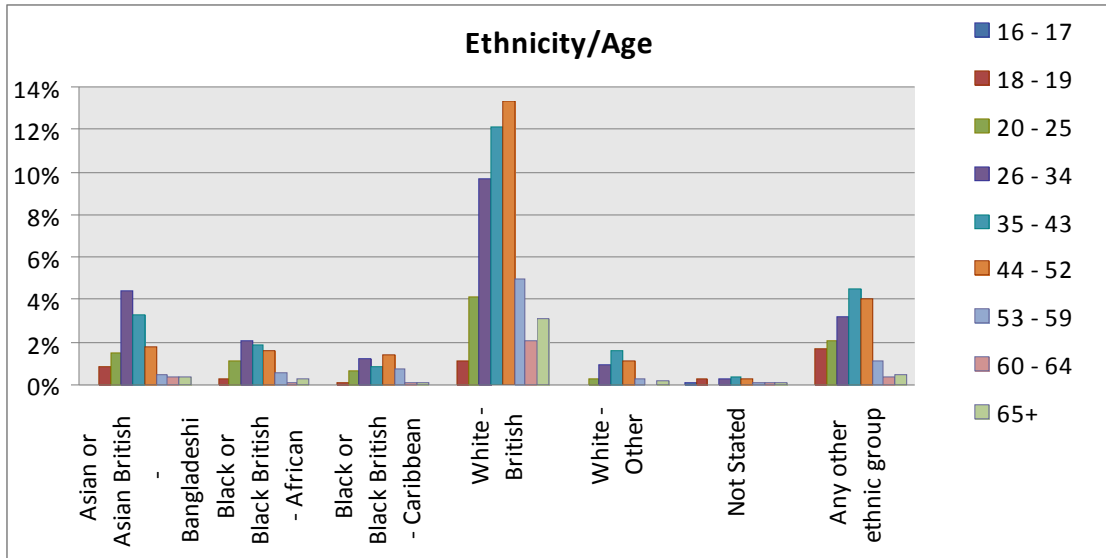
The first point to note about the hostel population is that they are Tower Hamlets residents. During 2012 alone, hostels provided valuable supported accommodation to approximately 1166 vulnerable single homeless people from the Borough.¹¹ Tower Hamlets now benefits from a 100% access rights for local residents; the exception is a small number of City clients, 22 people were placed in Tower Hamlets hostels last year (with an average of 28 over two years). This arrangement continues in recognition of The City's significant financial contributions to the building costs of a number of hostels, including Riverside House, Hope Town and Edward Gibbons House.

The second and related point to note about our hostel residents is their extraordinary diversity.



Men make up the majority of the hostel population - 80% overall, with most aged between 26- 59. Women by comparison tend to be younger. This may be reflective of the hostel population being made up of 40% rough sleeper's 89% of whom are male- the majority being white British. White British men tend to be older, whilst Bengali men are younger.

¹¹ In order to be accepted by the HOST individuals must demonstrate a local connection to the Borough. This is generally taken to mean that they have lived in the borough for 6 out of the last 12 months or 3 out of the last 5 years, or work in the Borough, or their immediate family (e.g. parents, children, or siblings) permanently reside in the Borough.



3. Why we need a Hostel Sector in Tower Hamlets.

3.1 Addressing homelessness in Tower Hamlets

Since the Homelessness Act (2002) and the introduction of Supporting People (2003), the Local Authority has played a key and increasing part in the homelessness sector; taking a strategic and co-ordinating role that draws independent organisations into an effective sector focused on improving our ability to support single homeless people. Hostel services play a vital role in enabling the Borough to address rough sleeping, and homeless prevention amongst some of its most vulnerable residents. Whilst rough sleepers remain the most significant group to use hostels, service users arrive from a variety of locations including temporary arrangements with family and friends, hospitals, prisons and residential drug/alcohol placements.

Demand on services from vulnerable single homeless people is significant. In 2011/12 there were 3,300 approaches to the Council's homelessness service by homeless households or those at risk of becoming homeless. Of these, 62%, or 2,050 people were single households. Of note, for those accepted as statutory homeless in 2011/12, 28% of these were people vulnerable due to a mental or physical disability, many of whom were single households.

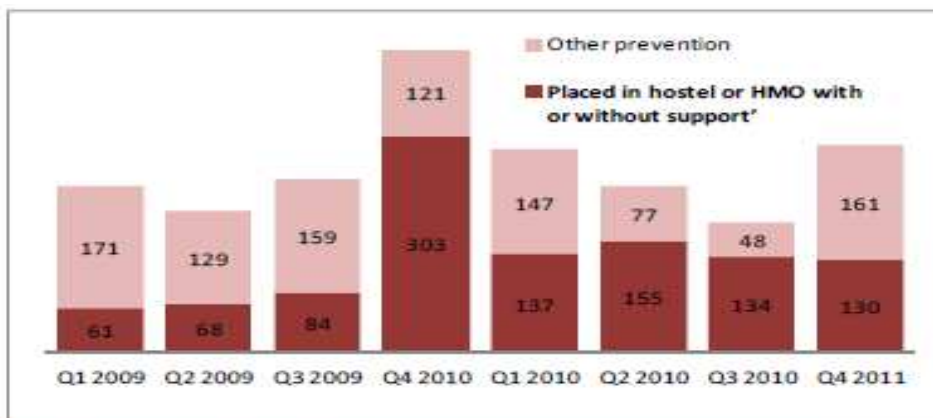


Figure 1 Communities and Local Government homelessness statistical returns

As well as addressing homelessness and its immediate cause; hostel services in Tower Hamlets are at the centre of a multi agency approach to re-integrating vulnerable people into economic and social inclusion; helping people into long term settled accommodation, reducing long term benefit dependency; increasing the numbers of people completing drug or alcohol treatment and reducing re-offending.

3.2 Preventing and addressing rough sleeping

Hostel services are pivotal in enabling the Borough to effectively respond to local rough sleeping. Due to the availability of Hostel placements, the Tower Hamlets Street Outreach Team, commissioned by Homeless Services, is able to encourage rough sleepers off the streets and into existing hostels. During 2011/12 262 verified rough sleepers were contacted in Tower Hamlets by outreach teams, an increase on previous years, showing a consistent trend upwards. Although this compares favourably to other London Boroughs, about 40% of our hostel residents were rough sleeping prior to accessing.

It remains that the majority of new rough sleepers are referred to the No Second Night Out (NSNO) hub in Islington, which aims to reconnect individuals to their home area. The number of CEE nationals sleeping rough in the borough has quadrupled since 2008/9. For the six months covering July to December 2012, 29 people were reconnected to seven different countries (predominantly CEE Countries).¹² There remains a need for local hostel accommodation able to meet the needs of often chaotic rough sleepers who are more local, a significant number of who have drug and alcohol problems and/ or mental health issues. The number of 28 day assessment beds to encourage these individuals off of the streets has increased over the last two year period, and is key in increasing the number willing to leave the streets. This is a successful initiative set up by our Rough Sleeper co-ordinator, that we will seek to retain and embed in the forthcoming commissioning programme.

D is a 37 year old Irishman who has been living on the streets for the past 4 years. An intravenous heroin user and on the 205 list, he was admitted to the Dellow Centre Hostel on 5/7/2010. His personal hygiene was not good and his appearance was extremely unkempt. During his time on the street SORT tried to interact with him but his motivation to do so was non existent and he preferred the chaotic lifestyle on the street. He had been in numerous hostels and was not welcome back by any of them. However, several weeks prior to admission he began to engage with SORT and was referred here. At the time of his admission he had been using heroin at a cost of £40 per day as well as the 80ml of methadone.

D has reduced the non scripted drugs by 75% and is now down to £10 per day. He maintains his 80ml of methadone. Staff have commented positively on his new found motivation and willingness to participate. He is doing an IT course with a view to gaining employment in this field. His personal hygiene and appearance has improved and he eats well, attending all meals. He went through a lengthy period of treatment for Hep C which was successful and seemed to give him added impetus to change his lifestyle. On 19/3/2012 he was resettled into a flat in Newham which he shares with his partner. He occasionally visits us and he reports all is well, his relationship is stable and he has not used drugs for almost two years.

¹² Thames Reach Reconnections Statistical Update Report for Tower Hamlets: February 2013

3.3 Supporting vulnerable homeless people into sustainable housing.

The homeless are some of the most vulnerable people in society. Recent research shows homeless people are more deprived than housed people in the most deprived areas. They experience lower mortality rates compared to their housed counterparts. They are often people who have been multiply excluded. One of the key aims of the boroughs' hostel sector is to support homeless individuals with a vulnerability, to address their difficulties and return to a more stable and long term housing option. The demand for hostel placements is such that individuals will have a significant support need; the Hostels Needs Analysis indicating that 57% of residents had drug and alcohol problems and about 38% had mental health problems.

The Hostel Needs Analysis also identifies that up to 1,000 people a year undergo the transition from the criminal justice system and return to the local area, many of whom have housing and support needs. The borough also has significant street based prostitution.

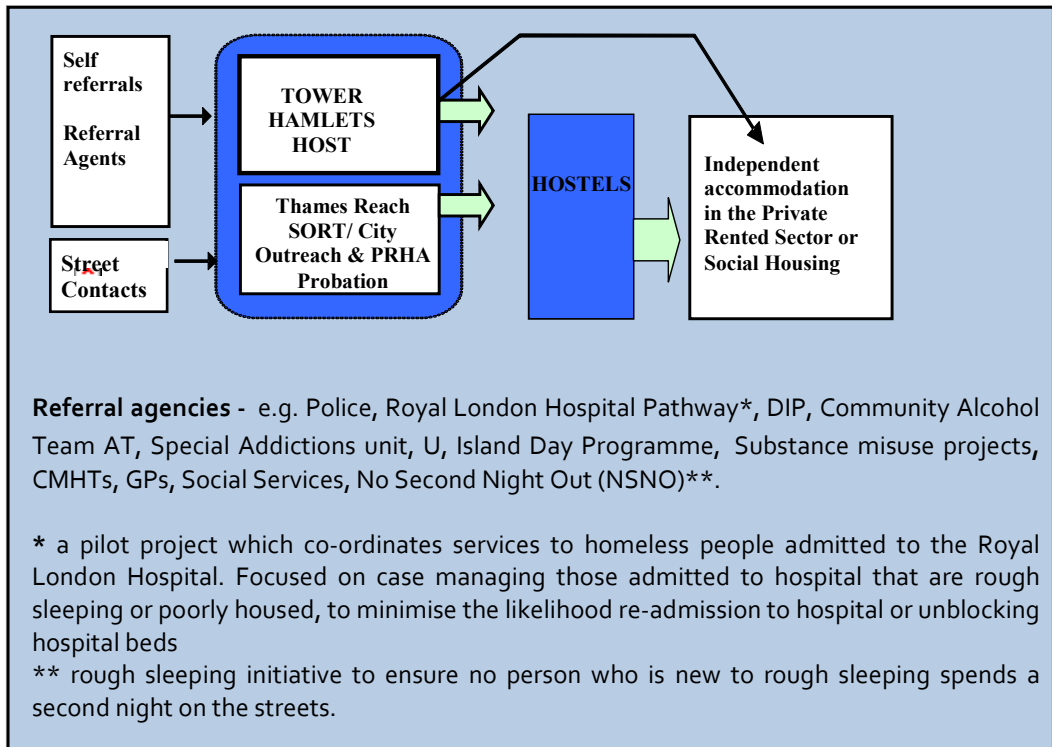
Hostels provide a valuable first and last step towards providing very vulnerable and often very chaotic people with accommodation. This is vital in supporting people to begin to unravel and address the practical and often emotional and psychological circumstances that have contributed to their homelessness.

Without this provision there would be nowhere else for these individuals to go, causing severe difficulties for each individual affected but also, burdening our acute services and creating a steep increase in rough sleeping in borough.

3.4 Access routes into current hostels sector at Jan 2013

During 2011/2012 HOST saw over 2,000 single people, 62% of all homeless presentations. A popular misconception is that hostels support people from outside of Tower Hamlets. This is not the case; since 2011 referrals into hostels have almost exclusively been routed through the Housing Options Singles Team (HOST), based in the boroughs Homeless Service. This change has had a significant impact on the profile of those who are referred to hostels who now generally have a high to medium support need. Previously those with lower support needs had been able to access hostel accommodation. As such the resident population in hostels has incrementally changed during 2011/12, with a residual group with lower support needs.¹³

¹³ Hostels Needs Analysis- Civis 2012



Of these 2050 single homeless presentations, 576 were referred by HOST to hostel accommodation, with 517 taking up a place.

REFERRALS	Total	Housed elsewhere	Unlikely to be housed	Referrals requiring hostel places
Accepted	441	-	-	441
Refused by the hostel	70	-	-	70
Failed to attend / could not be contacted	34	-	34	
Refused by client	17	-	17	
Outcome unknown	6	-	-	6
Placed elsewhere	8	-	-	
Totals	576	8	51	517

Table 1 HOST referrals year ended 31 March 2012

4. Projecting the need for hostels: The size of a Hostel Sector for the Future.

- 4.1 Understanding and quantifying current and future need is a vital element of commissioning hostel services for the future. Any needs analysis is at its core, a dynamic process that will need to be regularly updated as new data comes to light and the impact of policy changes are felt. Projecting the future need for hostel services is extremely difficult to predict with a high degree of

certainty in recognition that to some extent demand is influenced by available supply.

The forthcoming period is particularly challenging as we cannot accurately predict how welfare reform will impact on homelessness and consequential demand for hostel placements. All indications are that in the forthcoming period, as social housing reform, a difficult economic environment and welfare changes come together, we are likely to experience considerable and consistent demand pressures. Research commissioned by Crisis suggests that these changes combined with high unemployment are creating “the perfect storm” likely to have a significant impact on those vulnerable to homelessness.¹⁴

4.2 The Impact of welfare reform

The impact of welfare reform on the rate of tenancy breakdowns and homelessness has been modelled in determining the likely future demand for hostel placements. In the short term, reductions in benefits as well as increased pressures due to overcrowding in family homes, may increase homelessness for young people and those with complex needs. Yet in the longer term it is also possible that demand for hostel spaces could lessen as the population in Tower Hamlets become more affluent, and only those with reasonable incomes are able to afford to live in the borough- so significantly altering the borough profile.¹⁵

In the context of demand for hostel placements, the most immediate and profound changes maybe to the Local Housing Allowance. Initial predictions suggest weekly reductions in Local Housing Allowance of between £82.63 and £147.69 for a single one bedroom property for those under 35. Renegotiating rents with landlords is unlikely to be an option for this age group due to the significant rent shortfall, which could lead to increased homelessness, hidden homelessness and rough sleeping; particularly for men who will be disproportionately impacted by this change.

In addition to this, the move to universal credit will mean an end to direct Housing Benefit payments to social landlords and give claimants the difficult choice of deciding how to make a much reduced budget stretch to cover all their living costs, including housing. This is likely to have severe implications for some of our more vulnerable and chaotic residents.

These changes will be mitigated for those staying in hostels for 3 months or more who will be able to continue to rent self-contained accommodation in the private rented sector without these caps, so by passing the shared room rate for those up to 35; this could also put pressure on hostel placements.

4.3 The size of a future Hostel sector

These factors have all been considered in the development of a Hostels Needs Analysis, undertaken during 2012, to quantify the future need for hostel placements. This looked at the pattern of hostel use over a one year

¹⁴ Suzanne Fitzpatrick: The homelessness monitor: tracking the impacts of policy & economic change in England 2011-2013

¹⁵ Hostels needs assessment

period, focusing on data from the Housing Options for Singles Team (HOST), Supporting People performance data, and comprehensive consultation with stakeholders. This data was considered against the backdrop of Tower Hamlets being one of the fastest growing populations in the country, predicted to rise by 12% by 2016 to 283,800.

4.31 This Commissioning Plan recommends slightly reducing the current, greatly reduced hostel sector to 563 beds from 583. The annual rate of new hostel placements for 2011-12 was 517. This figure has been adjusted to consider occupancy rates and reduced target lengths of stays. The Hostel Needs Analysis concludes there is a demonstrate able continued need for hostel services in the borough based on a number of factors which are borne out by the occupancy rates in Tower Hamlets over the last two years remaining close to 92%.

Further to this, the report¹⁶ suggests that, based on usage, over the next 10 year period; there could be a 14% increase in the demand for hostel beds (see appendix 4). The projected need has taken into account a number of complex and interrelated factors including GLA population projections, together with economic, social and government policy changes.

Whilst this is a relatively small potential extra demand for hostel beds (1.4% p.a.). The recommendation is that this demand should be managed within existing hostel resources. Analysis suggests that this is possible by delivering four key recommendations:

Recommendation 1: Introduce an assessment pathway that will match people to the right service at the right time so speedily moving them onto independent accommodation and diverting people into other forms of housing.

Recommendation 2: Remove any potential incentive to stay in a hostel as a means of obtaining “fast track” access into social housing.

Recommendation 3: Reduce the length of time individuals stay in hostels; moving them to a longer term independent housing option with floating support.

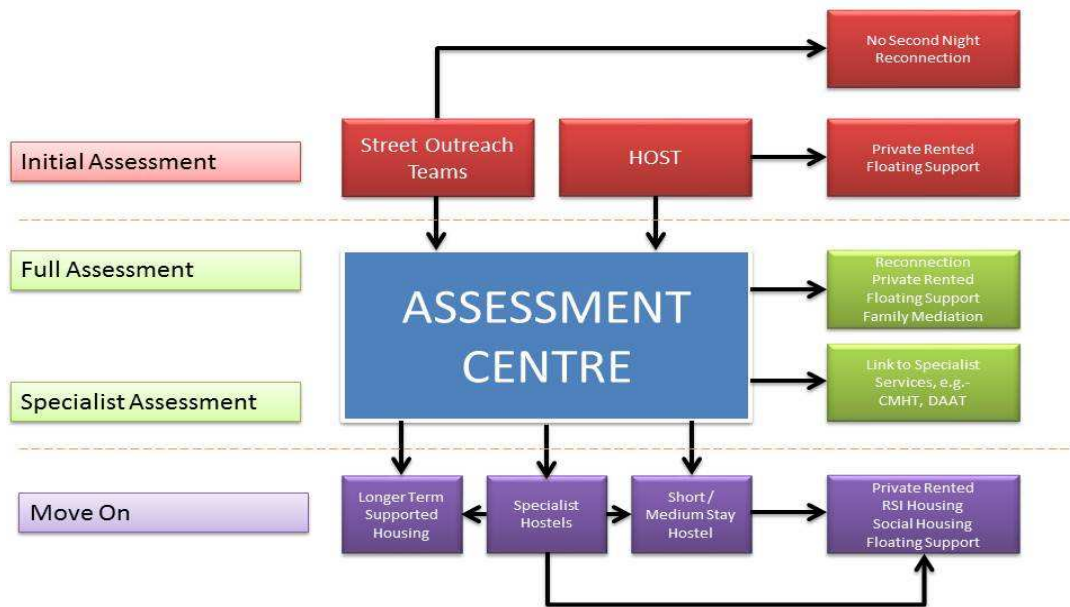
Recommendation 4: Increase the eligibility for hostel placements to those with the most significant support needs; so reducing overall demand.

5. Access Routes into Hostels – the Assessment Pathway

5.1 This plan proposes an assessment centre model as a more effective pathway into the hostel sector. Assessments within a residential setting can be more in depth than those carried out through interview and liaison with referral agencies and is very much in line with the Homeless Statements intention to create a seamless access point for homeless households in need of services.

¹⁶ Undertaken in collaboration with CIVIS in 2011/ 2012.

- 5.2 The key aim is to put in place a streamlined access and multi-agency assessment process with the input of key agencies such as mental health services, health services, adult social care services, and drug or alcohol services at the point of entry. This will ensure that individuals are linked into appropriate treatment at the earliest opportunity and enables individuals to progress to suitable longer term hostel, supported or independent accommodation with the engagement of statutory services as swiftly as possible.



The assessment centre should have a capacity of 35 units or 8 referrals a week and a maximum 4 week stay. Some referrals may only stay a few days, some could stay the full four weeks and others may simply receive a virtual assessment. This will provide an initial 'triage'. If individuals have no support needs they will be diverted into the private rented sector or a more appropriate service.

The assessment centre will provide skilled staff able to undertake comprehensive assessments and will have established links with statutory health and care services. The pathway will ensure that individuals move through the hostels sector rapidly and do not end up living in a hostel as their long term home.

The assessment centre will be on one site to enable the development of skills and facilitate links with statutory agencies. However, in recognition of the complexities of housing offenders and also the need to have an alternative for some of our more complex individuals we will also explore options for developing a small number of assessment beds in alternative provisions.

Under these arrangements Host will retain the initial referral role. However, as part of the development of this service we will explore options to develop

the trusted assessor role as a means of enabling direct access to specific schemes linked to the specialist nature of the agency.

Recommendation 5: Put in place a streamlined access and multi-agency assessment process with the input of key agencies such as mental health services, health services, adult social care services, and drug or alcohol services at the point of entry.

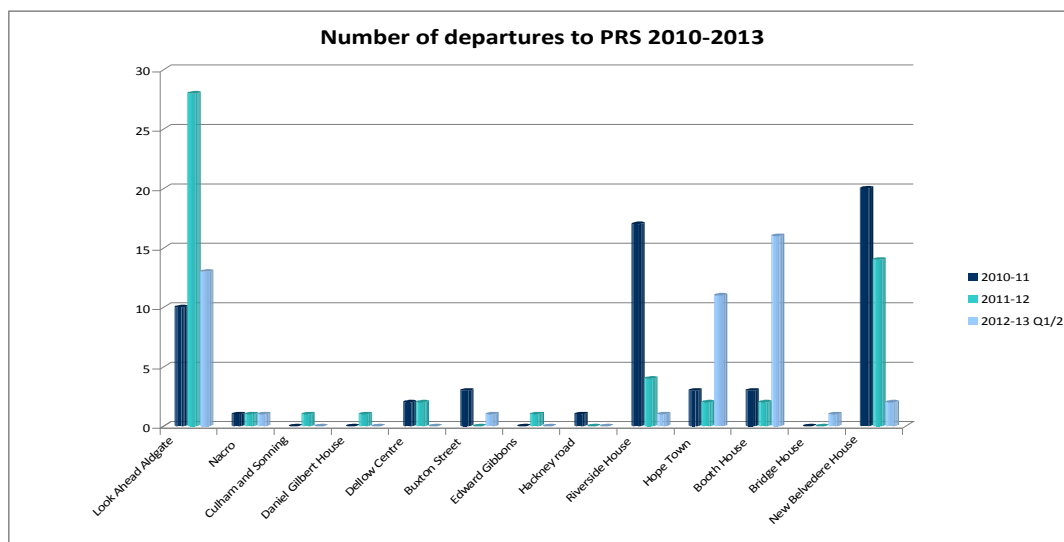
Recommendation 6: Explore options to develop a trusted assessor role to enable direct access to specific schemes linked to the specialist nature of the agency.

6. Toward Independence-Moving on

- 6.1 **For people living in hostels, the private rented sector will be the primary move on option for those able to live independently.** Taking a new approach to move on is critical in meeting current and future demand for hostel placements. An efficient hostels sector needs to move people, to more independent accommodation, to prevent the hostels from silting up and ensuring that high cost provision is available for individuals who are most in need.
- 6.2 It is important to make a distinction between the need for hostel accommodation and the need for other services; for instance an individual may only need a hostel for up to a year but require drug treatment for longer period. Some individuals may require support for a number of years to be able to remain drug free but this does not necessarily have to be delivered within a hostel setting.¹⁷
- 6.3 Generally there is agreement across all stakeholders, that a completely different approach is required as, despite best efforts, a perception exists amongst the hostel population that living in a hostel is a direct route into social housing. This perception needs to be strongly challenged as there has never been, nor there in the future, an adequate supply of social housing to meet this expectation.
- 6.4 This unrealistic expectation means people are often reluctant to move from hostels and leads to a “bed-blocking situation”. At Sept 2012/13, **37% (207 people)** within the hostel population were judged (by hostel managers) to be able to move on into the Private Rented Sector, within a six month period.
- 6.5 Under these proposals, independent accommodation is likely to be in the Private Rented Sector and due to welfare benefit changes, may be shared and/ or outside of Tower Hamlets. Support will be provided through visiting support once people have moved into their own accommodation to help people sustain their tenancies.

¹⁷ HNIA -Civis

- 6.6 Whilst the shift toward the private rented sector is a relatively new development, there are examples of good practice that we are keen to build upon. The closure of Aldgate Hostel in 2012 saw nearly 40% of the residents move into the private rented sector, demonstrating that with the right support, people can move successfully from hostels into the private rented sector.



- 6.7 In order to facilitate this shift it will be necessary to commission adequate provision of rent deposit schemes able to financially support individuals to access the private rented sector. Projections, at Sept 2012, indicate approximately 300 units will be needed each year to keep the sector working.

A pilot project is currently being run across the four largest hostels in the Borough to increase moves into the private rented sector and determine good practice in this area. We recognise this is a significant challenge as the baseline achievements are 60 a year in both 2010/11 and 2011/2.

The outcome of these pilots will determine both the commissioning approach and the exact level of need in both financial and number terms.

Recommendation 7: Commission a rent deposit support service able to move in the region of 300 additional hostel residents (who are ready to move) into the private rented sector.

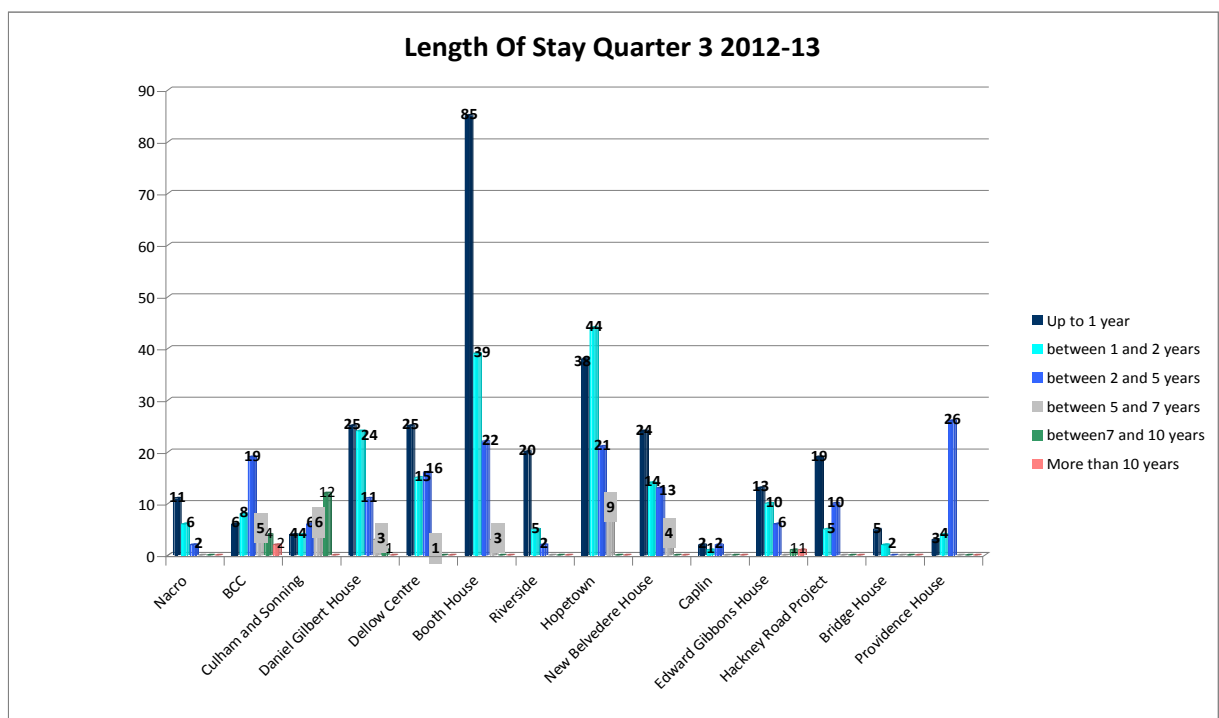
Recommendation 8: All service users moving to independent accommodation to be provided with floating support for a minimum of six months. Ensure Commissioned floating support services have the capacity and a specified remit to work with hostel residents in moving into the private rented sector to sustain tenancies.

7. Reducing the Length of Hostel Stays

- 7.1 It is better for the individual to stay in a hostel for a shorter period and also enables us to manage with a smaller more targeted hostel sector.

There is universal agreement that staying longer than necessary in a hostel environment has an impact on an individual's ability to remain motivated about their future. For some clients, when they have been retrained and got their self esteem back, they need to move onto independent living or risk becoming more institutionalised. Service users can become so used to the hostel accommodation that they do not want to move out, leading to complacency and over dependence on staff. The likelihood of the resident relapsing after a period of abstinence is also greater the longer the client remains in the hostel.

7.1 How quickly people move through hostels or their length of stay varies considerably across schemes and over time. Recently across the 5 larger hostels, the throughput rate averages 120%; meaning 1/5 of the hostel population moves on each year; the average length stay being 14 months. However, many stay much longer.



7.3 The hostels survey asked about the number of hostels residents who had been living in a hostel for more than one year. This table shows that the intended length of stay, for all the hostels surveyed, is more than one year, with the vast majority providing up to a 2 year stay, yet still 18% of hostel residents are staying longer than the intended length of stay.¹⁸

Intended length of stay	Hostel spaces	Residents staying more then 1 year	Residents staying more then 2 years
1 year	55	13	9
12-18mths	35	8	11
Up to 2 years	623	240	96

¹⁸ HNIA- Civis

Feedback suggests that most hostel services expect to support people for between 6 – 18 months to achieve some tangible progress towards moving people onto independence or lower levels of supported accommodation. In this reconfigured hostels sector, the average length of stay for all hostels will generally be shorter, with hostels set clear targets for moving individuals into a longer term sustainable housing option as soon as it practically possible.

In order to ensure these moves are positive for individuals we will continue to closely monitor the rate of tenancy breakdowns, with stretch targets introduced from 80% to 85% for planned move on rates.

Recommendation 9: All services to reach and maintain a minimum positive planned move on rate of 85%.

8. Addressing complex needs

8.1 The 2011 Hostels Needs Survey highlights that 90% of the hostel population have a significant support need. About 57% had drug and alcohol problems (including those with dual diagnosis) and about 38% had mental health problems (including those with dual diagnosis).

People with drug / alcohol problems	242	47%
Homeless / mental health	133	26%
Dual diagnosis	38	7%
Personality disorder	15	3%
People with a Physical or Sensory Disability	16	3%
Other needs	73	14%
	517	

Table 1 : HOST referrals requiring hostel places 2011-12

There is an immediate and pressing need to increase the capacity of the sector to house and support those who present the most challenging behaviour, so minimising evictions and rough sleeping. The hostels survey shows 314 referrals were refused; 40% because their support needs were too high or they were too chaotic. Many had high mental health needs; others were referred to an abstinence hostel but tested positive or were considered too high a risk.¹⁹

In particular the sector needs to be responsive and flexible to address the complex needs of those who have substance misuse needs; mental health needs including dual diagnosis; have been rough sleeping; or are engaged in prostitution, as well as high risk and repeat offenders.

Drug and or Alcohol related needs - 47% of the hostel population had a substance misuse issue. The most significant need identified was for hostel provision in which recovery can take place. This also involves abstinence hostels and those in which use is managed. There are a small number of

¹⁹ HNIA- Civis 2011

people living in hostels who have severe physical and mental health problems associated with long term alcohol dependency.

Mental health needs- In the region of 46% of hostel residents were considered by the hostel staff to have a mental health support need, considerably higher than that highlighted above. This also includes personality disorder. Significant need was also identified for those with mental health and drug and alcohol problems, particularly rough sleepers.

Sex Workers: The hostels survey identified 18 sex workers living in hostels with drugs, alcohol and mental and physical ill health issues. This figure is probably unrepresentative due to the associated stigma.

Rough sleepers: This group has significant mental and physical ill health, and offending histories as well as high levels of substance misuse and dual diagnosis. These individuals tend to have significant support needs that are often difficult to address in large hostel environments due to their chaotic behaviour.

Offenders: Settled accommodation is key in the rehabilitation of offenders. Many have drug and alcohol problems, with some having mental health problems. Probation clients with support needs also require access to drug and alcohol free hostel accommodation. Approximately 20% of the hostel population in the borough are ex-offenders.

Recommendation 10: All future service models will be appropriately staffed to address complex needs.

Recommendation 11: Training and skills development to be mandatory for all hostel staff in appropriate interventions for people with complex needs as well as supporting people with drug and alcohol misuse.

Recommendation 12: All services will be commissioned to facilitate multi agency case conferencing for challenging and complex cases.

8.2 **Aligning statutory services to holistically address complex needs.**

Whilst as commissioners of hostels we are not directly responsible for the provision of health related services, it is important to highlight the significant and inter-related health, emotional and psychological needs of hostel residents, and our need to commission services more able to work together in addressing these needs.

The hostel population experience poor physical and mental health, drug and alcohol misuse, dual diagnosis and personality disorders. There is a great deal of research to demonstrate the health inequalities experienced by this group. Most recently *“Rough Sleepers and Health Care: Findings from the North West London NHS”* found that rough sleepers use 4 times more acute hospital services than the general population; and have more health needs, attending A&E 7 more times. They present with more co-morbidity (their life

expectancy being 30 years shorter than average population²⁰) and stay in hospital twice as long.

This results in secondary care costs that are eight times higher than average, largely consisting of unscheduled admissions. Data collected by the University College Hospital and the Royal London show the following patients, recorded as NFA or with a local hostel address, who attended A&E over an annual period.²¹

A&E attendances	UCH	Royal London
Patients seen A&E	599	1,729
Attendances A&E	1,030	2,931
Number of Admissions	446	995
Cost of unscheduled admissions	£1,515,954	£1,984,055

8.3 Improving Health outcomes - In order for the assessment process and the hostel sector more widely to deliver appropriate and life changing support, there is a wide consensus that the operation of services requires a much greater emphasis on multi-agency working. People who live in hostels have some of the highest needs across mental health and substance misuse in particular. The support needs from the 2011 Hostel Needs Survey indicate the full range of support needs of the hostel population.

	Drugs & alcohol	Mental Health	Dual Diagnosis	Personality Disorder	Physical Disability	Other
Low	15.3%	10.7%	3.4%	2%	2.4%	6.7%
Medium	11.6%	10.6%	4.2%	2%	1%	1%
High	18.7%	5.5%	3.4%	0.4%	1%	0.1%
Total	45.6%	26.8%	11%	4.3%	4.4%	7.8%

There are examples of good practice and much progress has been made:

Hospital Homeless Pathway project – a pilot project which aims to bring much better co-ordination of services to homeless people who are admitted to the Royal London Hospital. Led by Health E1 it works closely with the Council and a range of independent sector organisations. A key focus is to closely case manage all those who are admitted to hospital who are rough sleeping or living in hostels, to minimise the likelihood they will be re-admitted to hospital again and ensure all agencies work effectively to support people back to independent living.

Health E1 - a general practice for people who are street homelessness or vulnerably housed. There is a clinical nurse who specialises in mental health

²⁰ Rough Sleepers: health and healthcare. A review of the health needs and health care costs of rough sleepers in the London Boroughs of Hammersmith and Fulham, Kensington and Chelsea, and Westminster. NHS North West London. February 2013.

²¹ HNIA- Civis

and three others who specialises in drugs. The practice provides a mix of drop in and booked clinics as homeless people tend not to be good at keeping appointments.

Drug and alcohol Services – considerable improvement has been made in the number of hostel residents with drug and alcohol problems engaged in treatment; increasing to 58% in 2012 from 30% in 2009.²². Awareness training to ensure hostel staff are able to understand which services to refer residents into have been very successful, with The DAAT carrying out inductions for hostel workers. The DAAT has also worked to set up pairing between treatment services and hostels e.g. Riverside and Matthew House are linked to the Island Day Centre (abstinence services). The DAAT has also commissioned a blood borne virus nurse, a rapid prescribing clinic, and a needle exchange at Dellow Centre.

As we embark on this reconfiguration of the sector we need to give further consideration to the ways in which we can improve the multi-agency approach and facilitate better outcomes for individuals. The assessment model, and high support services, including a service for people with complex needs and those for people with high alcohol related needs will need to have a strong interface with mainstream drug, alcohol and primary care services.

Recommendation 13: Commission research into how the health outcomes of rough sleepers and the homeless can be improved in the commissioning of hostel services and their alignment with statutory services.

Recommendation 14: Health and Wellbeing Board to champion the Commissioning Plan and provide overall governance.

- 8.4 Accessing Mental Health Services** - The hostel needs analysis shows that a low proportion of hostel residents thought to have mental health issues access community mental health services – 26% shown to be engaged with mental health services. Tower Hamlets Homeless Services have commissioned a CPN who works in partnership with the hostel providers and rough sleepers on the street. This pilot is now in its second year and has been very successful to date. However, there is a need to consider the long term mental health needs of this client group and how they could be better served by mainstream services.

Recommendation 15: To jointly evaluate the pilot project with the mental health commissioner and ELFT to determine a long term model of support for this group.

9. A future Hostels Sector: Commissioning Services.

²² DAAT Hostel Survey 2011

9.1 In commissioning services for the future we have considered the hostel needs analysis in making recommendations on the future configuration and size of services. There a number of key determinants which have informed this process.

- a) **A recognised need to provide more separate provision for women with complex needs** and those who require abstinence based services.
- b) **The need for provision for sex workers:** The hostels survey identified 18 sex workers living in hostels with drugs, alcohol and mental and physical ill health issues. This figure is probably unrepresentative due to the associated stigma; the Borough has a significant number of sex workers not currently living in hostels. Hostels can provide a first step to getting some stability and support.²³
- c) **A recognised over provision in abstinence beds.** Current abstinence projects have experienced significant voids. There are 3 hostels which currently provide an abstinent environment, reducing to one under these new proposals.
- d) **The need for an intensive complex needs service for chaotic individuals** who have experienced multiple exclusions.
- e) **The need to increase the sectors capacity to meet the needs of people with diagnosed and undiagnosed mental health issues.**
- f) **The need for a smaller high support service for men who have physical and mental health needs associated with long term alcohol dependency.** There are a small number of people living in hostels who have severe physical and mental health problems associated with long term alcohol dependency. For this group a longer term housing option is required that is able to work across the spectrum of needs, addressing personal care needs often associated with chaotic and non functioning alcoholism. As such an existing service will be registered with the CQC.
- g) **A need to increase the sectors capacity to work with people with drug misuse needs.** 47% of the hostel population had a substance misuse issue. The most significant need identified was for hostel provision in which recovery can take place. This also involves abstinence hostels and those in which use is managed. Some individuals will not need to live in a hostel whilst they recover and only require short term accommodation and help to engage with drug or alcohol treatment.
- h) **The need to make better use of self contained accommodation** as move on and trainee flats where people stay for very short periods prior to moving into the independent sector. Self contained supported accommodation provides individuals an opportunity to progress to independence. Some individuals will move directly from assessment into a self contained supported environment, others will step down from a high support hostel on their pathway to independence.

²³ Hostel needs analysis

- i) **The need to provide young people specific hostel accommodation,** able to meet the specific needs of young people.

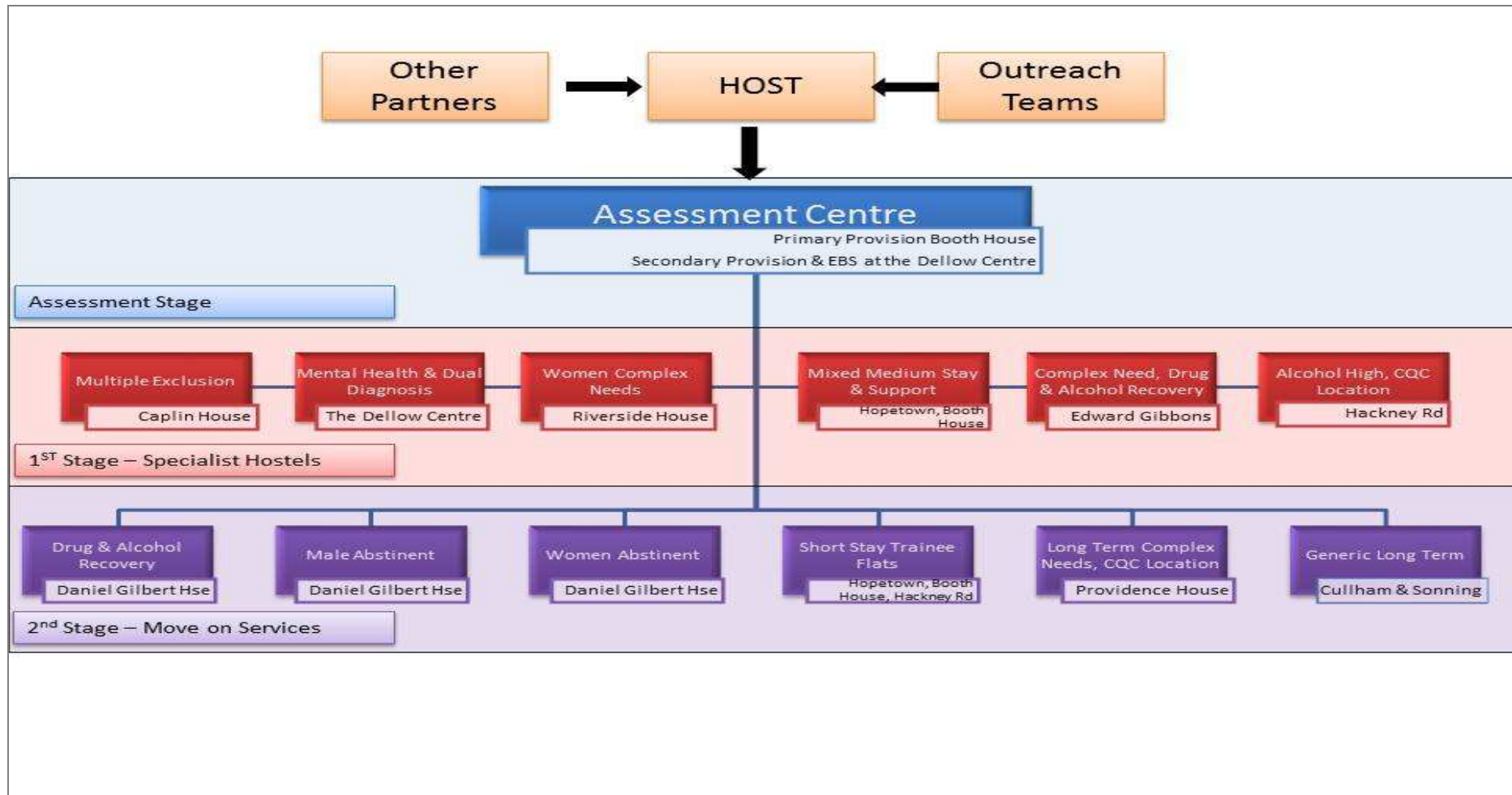
9.2 Within the context of diminishing capital funding we are recommending the use of existing buildings in commissioning future services. Whilst we recognise the limitations of some of the larger hostel environments we intend to engage providers in determining innovative and flexible ways of making smaller environments through clustering and where possible reconfiguring existing buildings to make smaller more manageable units.

9.3 People will not necessarily move through each part of the hostel sector ‘mechanically’ or in a linear pattern. People’s needs are more fluid or episodic, so the focus of the proposed new hostel sector will be to enable people to move into whichever type of housing meets their needs; utilising long term supported housing or independent accommodation with support where appropriate

9.4 Individual Hostel Recommendations

Hostel Service
Hope Town: To provide the primary assessment route for women. To remodel the physical environment at the hostel to enable women with differing needs to be met in smaller environments and increase self contained units where appropriate.
Hackney Rd: 35 Bed hostel with 25 move-on flats for people with substance misuse issues. The move on flats to provide short term trainee accommodation for a maximum 6 months stay prior to moves to independence.
Edward Gibbons: 35 bed hostel for people with alcohol related support needs. The service to target individuals with complex needs. The scheme will be focused on recovery and be the primary service for people who misuse alcohol as well as a broader range of complex needs. An intensive service for people with complex needs who have long term alcohol dependency who have had repeated detox and or are not willing to engage in treatment will be provided. Consideration will be given to the service being CQC registered.
Dellow Hostel: 58 bed hostel with move on flats will provide a secondary smaller assessment service including 4 emergency bed spaces for rough sleepers. The service to be the primary service for those with mental health issues, including dual diagnosis. The move on flats to provide short term trainee accommodation for a maximum 6 months stay prior to moves to independence.
Daniel Gilbert: 95 bed mixed hostel will increase the self contained accommodation and reduce the overall units to 87; within this configuration the service will provide distinct service for young people.
Riverside House: The service will continue as an abstinent based service that is open to both men and women.
Providence House: Long term accommodation; this service will to refocus as a high support extra care type service for people with long term complex needs with access to catering provision.
Caplin House: This Low support abstinence based service will be redesigned as a high support short stay service for chaotic individuals unable to manage in a large hostel setting and may have faced multiple exclusions.

Booth House: This service will provide the primary assessment pathway for the hostels sector. It will continue to provide medium Support and a medium length of stay.
Buxton Street Buxton Street- self contained properties for people who have moved via the clearing house. Decommission the support service.
Nacro Offenders : 20 bed shared housing for ex-offenders- low support will be decommissioned, reinvest in a rent deposit service
Culham and Sonning: The accommodation will be maintained, the support service will move to a floating support model
Bridge House : 8 bed abstinence service will be remodelled to more effectively meet local need.



10. Making Hostels Places of Change- achieving better outcomes for service users

10.1 The Supporting People strategy vision commits to ensure hostel services in Tower Hamlets make a positive contribution by improving the quality of life of vulnerable people, through the delivery of personalised, preventative and outcome focused services.

The overriding aim is to make Tower Hamlets a place where people who live in hostels are able to achieve their potential for independent living as fully as possible, through a strong focus on recovery and building on people's skills to enable them to enter work or other meaningful types of activity, such as education or volunteering.

10.2 Principals of hostel service delivery in the new hostel pathway. We will commission hostel services based on a number of founding principles, able to:

- Maximise appropriate and sustainable resettlement into long term, independent accommodation;
- Reduce evictions and abandonment's from hostels;
- Increase access to and take up of employment and training opportunities;
- Ensure service users experience an improvement in their health, well being and quality of life; reducing health inequalities, by facilitating better access to both emergency and planned health care;
- Reduce substance misuse and promote recovery;
- Support women to exit sex working;
- Reduce and prevent offending behaviour;
- Ensure service users are fully integrated members of their communities;
- Ensure service users have appropriate choice and control; and
- Assertively and proactively minimise the impact of drug and alcohol related activity on the community, businesses and other service users.

10.3 Resettlement - Building on current good practice in the hostels all hostels will develop their approach to and skills in the area of resettlement so that it becomes an integral part of provision. Training will be provided to all staff in this area.

10.4 Providing consistent and well coordinated information - The hostel sector work more as a streamlined integrated system; working in greater partnership with each other; Sharing information and services and with external agencies to ensure each resident's needs are fully met. Greater use of the web, alongside common core forms or templates across all hostels, has been shown to be an effective way of ensuring commonly agreed and consistent standards. This approach has significant benefits to both hostel providers and stakeholders, but more importantly service users.

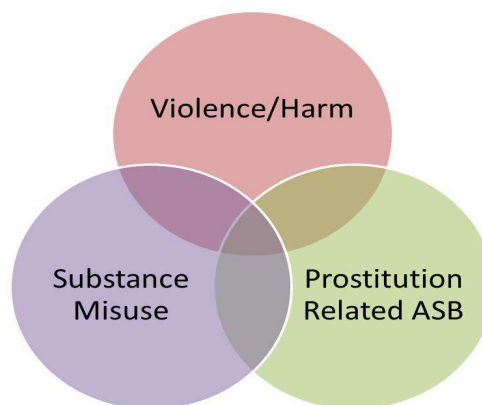
10.5 Supporting women engaged in prostitution - Providing a safe place to live is considered a key milestone in supporting women in their journey towards exiting prostitution. Women enter prostitution as a result of complex and often inter-related factors. The services we commission to support women

engaged in prostitution will proactively seek to assist them to exit and rebuild their lives as the most effective method of preventing further physical or emotional harm associated with their continued involvement.

In determining the most effective interventions in this area, “Breaking Down barriers: A study of how women exit prostitution”²⁴ found nine barriers which include:

- Problematic drug use,
- Mental and physical health problems,
- Problems with housing,
- A lack of qualifications and training, and
- Managing debts,

The One Tower Hamlets team has developed an action plan to address street prostitution and related harm in the Borough, across three overlapping issues.



Hostel services for women will have models of delivery able to offer specific and targeted support for women engaged in or at risk of sex working. The role of intensive support which is both personalised and focused on peer support is paramount. Specifically the model will need to meet Borough objectives of reducing harm and violence towards women; helping women to exit sex working; and reducing related ASB. Service will work with appropriate agencies such as DIP and Safe Exit in developing their model.

10.6 Education, Employment and Training - Economic and social activity is the key route to engaging homeless people in society, and therefore the most effective pathway out of homelessness. Hostels play a significant role in skills development. There is a difference of approach and emphasis across the hostels; however this may in part be due to the high levels of support needs addressed in some of the hostels. Hostels will need to place a continued focus on supporting residents to re-skill, find work.

10.7 Community Safety and integration with local communities - ASB can and does occur within and near to hostels, causing distress, anxiety and huge concern to local communities. ASB and community safety are core functions of hostels, keeping service users, staff and local communities safe and harmonious. This Commissioning Plan places a renewed focus on the role of Hostel providers in ensuring they work within their communities to minimise any impact and address concerns or complaints in a timely and effective

²⁴ Eaves and London South Bank University: Breaking Down Barriers: A study of how women exit prostitution.

manner. More than this Hostel providers will build on the good work underway to proactively prevent concerns of this nature arising. All Providers will meet the minimum requirements of:

- Developing close working relationships and protocols with agencies;
- Signing up to the Hostels Information Sharing Protocol, developed with the Police;
- Facilitating meetings with key agencies and neighbours,
- Developing a ASB Locality Procedure to reduce ASB in or near to hostels.

10.8 Personalised Services - Future hostel services will embrace personalised empowering approaches to minimise institutionalisation or what has been referred to as the 'warehousing' of people. Personalised approaches which encourage independence and build on people's strengths and abilities will be a corner stone of delivering better outcomes for service users.

11. Implementation

11.1 Summary of Recommendations

1. Introduce an assessment pathway that will match people to the right service at the right time so moving them onto independent accommodation as quickly as possible and diverting people into other forms of housing.
2. Remove any potential incentive to stay in a hostel as a means of obtaining "fast track" access into social housing.
3. Reduce the length of time individuals stay in hostels.
4. Increase the eligibility for hostel placements to those with the most significant support needs;
5. Put in place a streamlined access and multi-agency assessment process with the input of key agencies such as mental health services, health services, adult social care services, and drug or alcohol services at the point of entry.
6. Explore options to develop a trusted assessor role to enable direct access to specific schemes linked to the specialist nature of the agency.
7. Commission a rent deposit support service able to move in the region of 120 hostel residents (who are ready to move) into the private rented sector.
8. All service users moving to independent accommodation to be provided with floating support for a minimum of six months. Ensure Commissioned floating support services have the capacity and a specified remit to work with hostel residents in moving into the private rented sector to sustain tenancies.

9. All services to reach and maintain a minimum positive planned move on rate of 85%.
10. All future service models will be appropriately staffed to address complex needs. Including training and skills development in appropriate interventions for people with complex needs will be a mandatory requirement for all staff in all future services.
11. All services will be commissioned to facilitate multi agency case conferencing for challenging and complex cases.
12. Training and skills development in addressing drug, alcohol and mental health needs will be a mandatory requirement for all staff in all future services.
13. To jointly commission research into how the health outcomes of rough sleepers and the homeless can be improved by building on collaborate working in the commissioning of hostel services.
14. Health and Wellbeing Board to champion the Commissioning Plan and provide overall governance
15. To jointly evaluate the pilot project with the mental health commissioner and ELFT to determine a long term model of support for this group.
16. Routine joint assessment of all those moving into certain hostel services e.g. drug treatment and recovery. More formalised links to social care teams who can provide personal care assessments.

11.2 Hostel Commissioning Intentions 2013-2016

2013/14 Quarter 1
Caplin House to be remodelled to a high support short stay service for chaotic individuals unable to manage in a large hostel setting.
2013/14 Quarter 2
Hope Town Hostel to be remodelled to provide two smaller hostel services. Medium support needs for a short to medium term stay.
Edward Gibbons House to be re specified to support individuals with complex needs. The scheme will be focused on recovery and be the primary service for people with long term alcohol use to be registered with the CQC as a register able location- so enabling a more flexible service to be delivered.
Daniel Gilbert House to be redeveloped to provide self contained properties- reducing the unit numbers from 95 to 87. The service provided to act as a second stage move on scheme; with a separate service that specialises in young people.
2013/ 14 Quarter 3
Buxton St: The support service to be decommissioned with a view to the accommodation remaining and accessing the generic floating support services on a needs basis.
Hackney Road to be remodelled. The move on flats to be re specified to provide short term trainee accommodation for a maximum 6 months stay prior to move on to independence. The hostel units to provide a complex need service.

Nacro Offenders to be decommissioned, or potentially re- provided for a different client group.
Bridge House to remodel the service in line with local need
2013/14 Quarter 4
Booth House to be remodelled as the primary assessment pathway for the hostels sector. It will continue to provide medium Support and a medium length of stay.
Dellow Hostel to provide a secondary smaller assessment service including 4 emergency bed spaces for rough sleepers. The service to be the primary service for those with mental health issues, including dual diagnosis.
Riverside House To be re tendered in current format
Rent Deposit Service 180 units to be commissioned
2014/15 Quarter 1
Providence House to be remodelled to provide a high support extra care type service for people with long term complex needs. This will require onsite catering provision.
Sonning & Culham House To be re tendered in current format

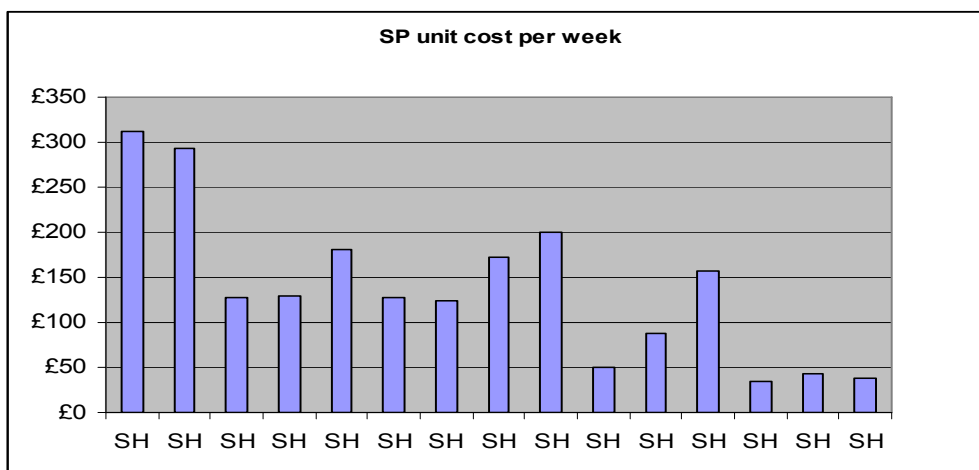
12. Financing the new hostel sector

12.1 These are challenging financial times for public services- In recent years money has been significantly reduced affecting both the availability of capital funds to improve the physical layout of buildings and revenue funding to provide support services. It is relevant to underline, that the annual spend on the hostel sector has dramatically reduced in the last six years; a 24% reduction.

Hostel Sector funding in 2006:	£7.2m
Hostel Sector funding in 2012	£5.4m
Hostel Sector funding in 2013	£5.2m

The maximum funding envelope for hostel and move on provision in 2013-2014 and beyond will be £5.4m This takes into consideration efficiency savings which have been made during 2012-2013 in the region of £746,000, together with a further efficiency target associated with the framework procurement process.

12.2 The average cost of keeping someone in one of these placements is **£135.55** a week or **£7,041** a year.



The framework agreement tendering process, by which all hostel services will be commissioned, presents a continued opportunity to secure greater efficiency in the hostel system. Costs per hour and unit costs are likely to further reduce as this process is implemented over the next two year period.

This presents an opportunity for us to re invest into the sector to ensure hostel services are appropriately modelled and resourced to meet the significant demands of a complex client group.

There are no additional revenue costs associated with this plan as changes to the sector will be delivered by reconfiguring the entire portfolio of services and moving the funding around the system accordingly. It is anticipated that the tendering process will be secure greater efficiency within the overall system so enabling the required reinvestment to meet the significant demands of a complex client group and divert greater numbers of homeless individuals into the private rented sector as an alternative to hostel accommodation.

12.3 Financing a Rent Deposit Scheme. Providing an effective rent deposit service as an alternative to hostel accommodation for suitable individuals is a cornerstone of this reconfigured hostels sector.

Initial projections suggest that in the region of 300 placements a year are required to keep the system moving and maintaining continued capacity in the sector. The current costs for the deposit element of the service are in the region of £750 to £1500 per person placed. Although this is not a small amount, it is considerably less expensive then maintaining an individual in the hostel sector for up to a two year period.

Given these projections we recognise this requires a significant investment, which will be funded from decommissioning low support services in the wider sector.

12.4 Within the context of diminishing capital funding we are recommending the use of existing buildings in commissioning future services. Whilst we recognise the limitations of some of the larger hostel environments we intend to engage providers in determining innovative and flexible ways of making

smaller environments through clustering and where possible reconfiguring existing buildings to make smaller more manageable units. There is likely to be a capital cost for these changes and we will consult with individual housing providers to secure the required level of investment.

13. Managing the Risk in Delivering Recommendations

Risks	Mitigating Actions
<p>There is a risk of increased rough sleeping and homelessness in a reduced hostel sector. This could be exacerbated by welfare reform the impact of which is as yet unclear. Changes to the housing benefit shared room rate for single people up to 35, will be mitigated for those who have stayed in a hostel for more than 3 months. This in itself could increase the pressure on hostel bed spaces in the Borough.</p>	<p>The plan recommends the maximum numbers of people are diverted into the private rented sector rather than a hostel.</p> <p>The introduction of an assessment centre and shorter length hostel stays in collaboration with the rent deposit and floating support service should enable there to be capacity for increased need as people move through the system faster and with better outcomes</p> <p>The demand/ need for hostel services and levels of homelessness will be closely monitored during this period.</p>
<p>This is a challenging timetable to deliver a major tendering programme that incorporates major reconfiguration, decommissioning and an intensive change management to deliver both efficiency and quality improvements.</p>	<p>Some proposals have commenced and are underway;</p> <p>A consultation timetable is due to commence immediately after Cabinet approval;</p> <p>A tight procurement timetable is in place that will commence following agreement. Much of the preliminary work has been completed as all services will be let against the Framework so enabling a faster implementation.</p>
<p>There are inherent risks to service users and providers if existing services are not more effectively modelled to address increasing service user need and complexities.</p>	<p>The plan emphasises the need to remodel and reinvest in services to ensure they are able to address this recognised increase in need amongst service users. Immediately following Cabinet agreement, key Providers and stakeholders will be consulted.</p> <p>The plan also makes a number of recommendations to increase the links and collaborative working across health and social care to enable the needs of service users to more effectively be addressed.</p>
<p>There are three recommendations in the Commissioning Plan that require capital investment and to progress. Investment will need to be provided by the Housing Provider or grant funding. Hope Town Hostel: To explore options to sectioning the hostel into clusters or two distinct services. Edward Gibbons House: To adopt the principles of the psychologically informed</p>	<p>We will consult and agree with Housing Providers a suitable plan and timescale for the reconfiguring of existing buildings. Specifically these are listed as:</p>

environments by remodelling the communal areas. Providence House: To provide a catering service.	
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Appendix 1: Projected need

Rapid growth, particularly over the next five years, is anticipated with growth concentrated in the Isle of Dogs, Lower Lea Valley and City Gateway. The lower GLA projections show Tower Hamlets growing by 27% by 2023 compared to 8% for London as a whole. The number of HOST registrations has been used as a measure of the population at risk of needing hostel accommodation; it has been assumed this number will grow pro-rata to the population. It is also projected that while the population is growing, the Borough is likely to become less and less affordable, with just 17% of the Borough's private sector lettings being affordable in 2016 compared to 51% in 2010²⁵. The change in affordability suggests either that projected growth will be tempered or that people moving in to the Borough may be less likely to need hostel services. It has been assumed that the population with mental health needs, personality disorder, dual diagnosis and physical or sensory disability will grow pro-rata to the population "at risk" with small reductions in those with drug or alcohol problems (from 8.6% to 7.5% over ten years).

The projections of need and associated costs if the need were to be met.

	2011 / 2012	2012 / 2013	2013 / 2014	2014 / 2015	2015 / 2016	2016 / 2017	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021	2021 / 2022
Adult population (000s)	154	158	163	167	171	176	180	183	187	191	193
Projected HOST registrations	2,810	2,898	2,978	3,053	3,130	3,212	3,289	3,355	3,425	3,491	3,527
Population "at risk"	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
Population in need (referrals)	517	533	538	546	553	562	568	575	583	589	594
Projected referrals:											
Alcohol / drug recovery	91	94	94	95	95	96	96	97	98	98	98
Recovery shorter term	73	75	75	75	76	76	77	77	78	78	78
Longer term alcohol / drug	32	33	33	34	34	35	35	35	36	36	36
Drug / alcohol (women only)	54	56	56	56	56	57	57	57	58	58	58
Mental health / Other (women)	38	39	40	41	42	44	45	46	46	47	48
Homeless / mental health	84	86	89	91	93	96	98	100	102	104	105
Dual diagnosis	30	30	31	32	33	34	35	35	36	37	37
Medium term hostels	116	119	120	121	123	125	127	128	130	131	134
Total referrals	517	533	538	546	553	562	568	575	583	589	594
Projected no units required:											
Alcohol / drug recovery	120	123	124	124	125	126	126	127	128	129	129
Recovery shorter term	77	79	79	80	80	80	81	81	82	83	82
Longer term alcohol / drug	102	105	106	107	108	109	110	111	113	114	114
Drug / alcohol (women only)	71	74	74	74	74	75	75	76	76	77	77
Mental health / Other (women)	40	41	43	44	45	46	47	48	49	50	50
Homeless / mental health	88	90	93	95	98	100	103	105	107	109	110
Dual diagnosis	38	40	41	42	43	44	45	46	47	48	48
Medium term hostels	92	94	95	96	98	99	100	101	103	103	106
Total units required	627	647	653	661	670	679	687	695	704	712	716
Projected costs (@ 2012 levels) £ 000s											
Alcohol / drug recovery	1,031	1,063	1,065	1,071	1,076	1,083	1,086	1,094	1,103	1,110	1,107
Recovery shorter term	654	674	675	679	683	687	689	694	700	704	702
Longer term alcohol / drug	721	744	750	758	766	774	781	790	799	807	807
Drug / alcohol (women only)	585	603	604	607	611	614	616	621	626	630	628
Mental health / Other (women)	304	314	323	331	339	348	356	363	371	378	382
Homeless / mental health	711	733	754	773	792	813	832	849	866	883	892
Dual diagnosis	391	404	415	425	436	448	458	467	477	486	491
Medium term hostels	682	703	704	715	726	738	748	755	763	770	787
Assessment Centre	398	398	398	398	398	398	398	398	398	398	398
Move-on *	33	88	144	185	201	206	209	212	215	218	220
Total units required	5,509	5,723	5,831	5,941	6,027	6,107	6,173	6,243	6,317	6,383	6,416

* Move on costs in table 9 have been shown as the average for the first three years

²⁵ Housing Benefit Reform and spatial segregation of low income households in London – Cambridge Centre for Housing Planning and Research (2011)

A number of authorities were contacted to understand their approach to a hostels pathway. Based on the information that is currently available the following provides a picture of supply for each authority.

	Supply of hostel and move on services
Royal Borough of Kensington & Chelsea	518
Camden	700
Lambeth	550
Westminster	576