

Appendix 2 - Business Case

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|-------------------------|--|-----------------|-------|
| Project Name: | New build of a supported living service primarily for young adults with disabilities (Supported Housing Programme: P3) | | |
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1. Executive summary

Approval is being sought to obtain capital funding of £1.6m to build one property (total of six one bedroom studio flats with additional communal facilities) in borough designed to provide supported living services for young adults with learning disabilities.

It was originally proposed that £2.8m capital funding be obtained to build two supported living services for a total of 12 adults with learning disabilities. The original model has been amended following extensive discussions with operational teams, reaching a conclusion to concentrate on a smaller but annually recurring cohort of young people with disabilities transitioning from children's to adults social care. The original idea of moving people back in borough from more expensive placements will remain an option where there is a willingness on the part of clients and their families to do so. However, previous experience has shown that doing so after people have established links to their placement is time consuming and usually ineffective.

This new approach means that a new cohort is likely to require one property initially, with the potential to build or source further properties in future.

This business case is therefore based upon the development of one six bedded unit using £1.6m capital funding, with associated cost savings.

Approval is further being sought to carry out a procurement exercise to appoint an experienced care provider to manage the service on behalf of the Council through a block contracting arrangement. Revenue funding will be redirected to fund the provider costs.

The establishment of a new provision targeted at those transitioning from children's to adults services, staying short and longer term, will deliver:

- Increased accommodation capacity in Havering
- Improved outcomes for people living in the provision
- Financial savings through greater control over costs
- Reduced need to place out of borough to meet needs
- Reduced travel time for social workers
- Ease of access to local amenities for clients i.e. GPs, walk-in centres, hospital
- Improved crisis intervention strategies
- Access to local networks i.e. community and social services

There were initial assumptions in the original C2 Capital Budget Proposal Submission that this project would deliver savings of £500k in the 2021/22 financial year by moving people back into the borough from higher cost placements. With the revised approach, savings in year 1 would amount to £225k, but with reduced capital investment (i.e. building one property). The savings over the 7 year period would be approximately £2m, including income from rent. This means that the capital investment would be returned within year 7 of the property being built. These savings would increase if we committed to building more properties in future.

For the background to the initiative and its rationale see Appendix 1: Background.

2. Reasons / Drivers

Improved outcomes

People

Having access to supported living services in Havering is important to delivering positive outcomes for young adults with learning disabilities. When people are placed outside of their community; family, friends and professional relationships are often disrupted or severed, and consistency is lost in terms of access to education, employment and local services. By having access to supported living services, the provision enables people to learn and practice independent living and develop life skills that can enable them to live more independently and as active members of their community.

Having our own supported living provision in borough can also lead to:

- Better response to crisis situations
- Improvement of the level of oversight and quality control over providers
- The opportunity to improve quality of care by minimising spot purchasing
- General improvement of outcomes because people are placed locally

Workforce

30% of young people aged 18-30 who need supported accommodation live out of borough. Having a provision in borough that can be utilised by this cohort can support with reducing the travel times and costs associated with visiting clients out of borough, as well as increased ease of contact between practitioners and clients.

Community

In this model, we can work with the provider to achieve outcomes and troubleshoot challenges. Having a council-owned property for adults with disabilities will enable us to work closely with local services such as education, employment, health, and housing services. Keeping services local helps the authority plan more coherently and respond swiftly to issues. Bringing new services into the community is positive in terms of adding social value, building community spirit, and increasing access for vulnerable members of the community. Developing this provision in borough will support people to maintain links to their community and their network of support.

Operational service intelligence

Based on discussions with operational services, the following intelligence has been collected:

Key challenges

- The greatest difficulty is seen when placing young adults with high support needs in shared accommodation when they need their own or additional

space and do not respond well to sharing

- It can be difficult to place people with external supported living providers due to limited capacity and high costs
- Due to the limited availability of an appropriate supported living provision for an individual, we can place people in costly residential care instead of supported living, which may meet needs but does not promote independence
- It can be challenging to match clients in shared accommodation due to the varying needs of the individuals and the risks around the people not living well together – this can make shared accommodation difficult to fill particularly if there is a limited amount of lead-in time to match the clients

Market perceptions

- The costs per week can vary when purchasing placements privately
- When placing with external provisions, the local authority has limited control over the care and support model and the extent to which independent living for the clients is promoted/encouraged
- There is not enough in-borough supported living provision suitable for the needs of Havering

Key risks

- There is a risk of social isolation for people living in self-contained flats with no communal spaces for residents to socialise
- There are risks that people with complex, costly needs placed in self-contained accommodation may not be able to manage independent living
- There are risks that costs may vary as clients with different needs to those requiring accommodation now may present

The information collected from operational colleagues has been used to form the basis of the model and configuration of the building. This intelligence has also been used to identify the key risks that need to be mitigated with regard to the planning, mobilisation, building design and care and support contract.

Savings and/or cost avoidance

The development of the supported living provisions will provide opportunities for direct savings and/or cost avoidance through five key areas:

- a) Reduced spend on placements due to greater control over the accommodation costs due to the building being council-owned
- b) Reduced spend on placements due to greater control over the care and support costs due to how a block contract will be used
- c) Improved management of expenditure of placements with private sector supported living provisions due to the local authority having a benchmark
- d) Improved management of demand through promotion of independent living within the supported living services; with potential for reducing demand on council services in the future if people are more independent
- e) Increased value for money on supported living placements through improved outcomes for people, the workforce and community

The project will also create an asset for the council.

Client mapping exercise

Focusing on the first key area of where savings/cost avoidance could be realised, an exercise was undertaken with operational services to review the current clients known to:

- adult social care (aged 18-30)
- the children and adults disabilities team (aged 16-25)
- the Transforming Care Partnership¹

This exercise identified a group of clients that either have an immediate need for supported living as a young adult or a future need once they turn 18 and move to adult social care services. These clients were identified based on operational judgement of their potential to live in, and benefit from such a setting.

This exercise enabled an assumption to be made about the potential client cohort that may access the new provision. This showed that, if the provision was available today, there would be the following trends:

- All clients would be moving from children's residential educational provisions
- The majority (80%) of clients would be moving back in borough after education ends in their residential educational placement out of borough

Potential care and support costs

As the final care and support costs for the provision will not be known until the completion of the tender, an approximation of the likely costs has been developed. It is approximated that the local authority will pay between £17.00 and £20.00 per hour to the care and support provider, which is an inclusive cost (including staff, management and overheads).

It should be noted that it has been challenging to identify a breakdown of the rates from private sector companies due to competition.

It is assumed that the care and support provider will be contracted under the following arrangement:

1. A core contract value based on a set number of hours which can be used flexibly to deliver the care and support to tenants
2. An hourly rate that can be used to purchase additional top-up care as required for clients if more hours are needed than what is within the core offer

The assumptions are that the new service provision, as the model is currently proposed, may require²:

- 24 hour staff on site per site

¹ See page 11 for details

² Information obtained based on operational service intelligence around client cohort

- At least four staff employed during the day
- Two waking/sleep-in night time staff
- One manager available across the site during key hours

A fully developed specification will be completed following a series of market warming events and coproduction workshops. It is possible that the figures projected in figure 1 will change following the completion of these events.

Estimations have been calculated to demonstrate the potential care and support costs for the clients identified above if they were to reside in the new provision. This has been calculated based on operational/market intelligence and by using the Financial Appraisal Tool³. It should be noted that these assumptions are highly dependent and variable on both the needs of clients that can move in and the bids received by care and support providers as part of the tender exercise.

Figure 1: Potential care and support estimates for new provision

| Estimated care & support costs | Total estimated for scheme | | | | |
|---------------------------------|----------------------------|-----------------------|---|---------------------------------------|-----------------------------|
| | Support hours | | Estimated rate per hour (Incl. on cost) | Estimated weekly cost (Incl. on cost) | Total estimated annual cost |
| | Per day | Per week (7 day week) | | | |
| Staff costs: | | | | | |
| Senior Support Staff | 7.14 | 49.98 | £18.00 | £899.64 | £46,907.23 |
| Support Staff | 60.00 | 420.00 | £18.00 | £7,560.00 | £394,178.40 |
| Waking Nights | 9.00 | 63.00 | £18.00 | £1,134.00 | £59,126.76 |
| Sleep-In | 9.00 | 63.00 | £18.00 | £1,134.00 | £59,126.76 |
| | | | Totals | £10,727.64 | £559,339.15 |
| Other costs⁴: | | Rent charge | Service charge | Weekly cost | Annual cost |
| Staff office | | £107.90 | £99.37 | £207.27 | £10,807.91 |

Figure 1 uses an example of an hourly rate of £18 per hour being received. If this was increased to £20.00 per hour, the total annual cost of the provision would increase to £621,487.94.

Potential savings/cost avoidance

Using assumptions of the potential client group and the costs of care and support in a new provision, as detailed in the Financial Appraisal Tool⁵, figures 2 and 3 outline the potential savings/cost avoidance that could be anticipated for the client cohort when the building is ready.

The estimations in figures 2 and 3 were produced by comparing the new provision

³ Supported Housing Programme Financial Tracking Tool developed by Corporate Finance

⁴ Assumed provider funds 'other costs'

⁵ Supported Housing Programme Financial Tracking Tool developed by Corporate Finance

costs against a client cohort aged 18-30 already in adult social care supported living services, with similar needs.

It should be noted that the figures have been worked out based on the following assumptions:

- That these will be the clients that would need this accommodation when the new provision is ready
- That the accommodation is suitable for the client and their needs at the time the provision is ready
- That the clients do not require any additional care that is outside of the 'core' contracted hours/support, meaning there is no need for the local authority to pay a 'top-up' on the care and support charges
- That these clients remain in the provision for a full financial year
- That the care and support tender costs come in at one of the rates calculated above
- That the construction costs total the ring-fenced amount
- That the rent and service charge is the rate stipulated above
- That there are no voids in the provisions due to vacancies (planned or unplanned)
- That the Housing Benefit/Universal Credit received by the client covers the full cost of the rent and service charges for the client

The above assumptions are subject to change due to the nature of business cases providing estimates and projections based on assumptions. As these assumptions change, the estimates for spend and saving/cost avoidance provided in figures 1, 2 and 3 will be impacted. This means that savings/cost avoidance can be realised, however there are risks around achieving these levels of savings/cost avoidance.

However, these figures can be used as a possible indication of the differences in costs if these clients were moved from where they currently reside to a council-owned supported living provision.

Improved management of expenditure

The local authority often has to place with private sector providers where we have little control over the costs, which can often result in high spend.

It is expected that a benefit of developing a council-owned provision with a care and support provider will enable the local authority to better shape the market. It is assumed that this could, in turn, set precedence for supported living placement costs and therefore help stabilise the costs of placements made in borough with private organisations.

It is assumed that this could be achieved through greater intelligence of the costs of running a supported living provision; enabling the commissioning, operations and brokerage teams to set a benchmark of placement costs based on needs and subsequently negotiate better value for money in the brokerage of placements, thus bringing the overall placement costs down.

Quality and contract management

The care and support contract will be monitored by the Joint Commissioning Unit in line with the local social care contract management principles⁶ and corporate requirements⁷ for contract management at Havering Council.

It is anticipated that a minimum of quarterly contract monitoring meetings will take place with the provider and regular data (quantitative and qualitative) is received at agreed intervals. This will establish the value for money of the provision and will monitor projections for future requirements for such a service.

It is expected that the measurement of savings/cost avoidance will be facilitated by the contract manager in the Joint Commissioning Unit, working with the relevant operational teams/panels, transactional services including Corporate Finance, and the Transformation Team. The measurement of this and its relationship with the Medium Term Financial Strategy will need to be clarified.

By having a council-owned provision and a commissioned care and support provider delivering the contract, it is anticipated that the local authority will have a higher level of control over the quality of the provision and better management and oversight of the outcomes achieved for clients.

⁶ Joint Commissioning Unit Contract Management Toolkit August 2018

⁷ Strategic Procurement Unit: Guide to Contract Management February 2016

3. Costs

The capital budget request is estimated at: £1,600,000.

Estimated construction costs have been sought from the Development Surveyor within Housing Services as advised by the Supported Housing Board member, the Director of Regeneration Programme Delivery.

Estimates have been provided with allowances for professional and planning fees, but excluding land costs and LBH time charges. This information should be used with caution until further clarification can be sought, especially in this situation where approved feasibility/design drawings are not yet available.⁸

The on-going funding of supported living placements has already been secured through the Adult Social Care budget.

4. Investment Appraisal

An investment appraisal looks at investment and how long it will take for benefits to return that investment. This only gives a sense of the value that the initiative is delivering in financial terms, without considering the wider benefits that are outlined elsewhere in the business case.

These are the estimates of the financial benefits of the investment from current information available, based upon certain assumptions. If the assumptions do not materialise, resulting in changes to the information, the business case will be updated and decision makers advised.

This investment appraisal does not take into account that this project will also produce an asset for the council.

Assumptions include:

- Providers will come in at an hourly rate between £17.00- £20.00 per hour
- Provision will be fully operational during 2020/ 2021
- Current supported living unit costs continue to increase by 2% each year
- Children's and Adult Social Care identify clients that are ready/appropriate to move into the newly built property, at a former alternative cost per week that will realise value for money if placed in this provision instead
- The income from rent will be within the projected levels

See figure 2 and 3 below for full investment appraisal.

⁸ Clement Ojediran, Development Surveyor, Housing Services

Figure 2: Estimated investment appraisal assumption 1: Tender at £18 per hour

| Investment Appraisal | 2019/20 | 20/21 | 21/22 | 22/23 | 23/24 | 24/25 | 25/26 | 26/27 | |
|---|-----------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Indicative Identified Cohort - Tender price £18 per hour | | Saving** | Cost avoidance* | Cost avoidance* | Cost avoidance* | Cost avoidance* | Cost avoidance* | Cost avoidance* | Payback in Years |
| Estimated capital investment | 1,600,000 | | | | | | | | |
| Running Costs | | | | | | | | | |
| Care and Support | | 559,300 | 559,300 | 559,300 | 559,300 | 559,300 | 559,300 | 559,300 | |
| Rent and Service Charges | | 64,800 | 64,800 | 64,800 | 64,800 | 64,800 | 64,800 | 64,800 | |
| Income | | | | | | | | | |
| Housing Benefit re Rent and Service Charges * | | (64,800) | (64,800) | (64,800) | (64,800) | (64,800) | (64,800) | (64,800) | |
| Net Cost | | 559,300 | 559,300 | 559,300 | 559,300 | 559,300 | 559,300 | 559,300 | |
| Current Estimated Cost | | 766,600 | 766,600 | 766,600 | 766,600 | 766,600 | 766,600 | 766,600 | |
| Net Operating (Saving)/deficit | | (207,300) | (207,300) | (207,300) | (207,300) | (207,300) | (207,300) | (207,300) | 8 |
| Capital Charges * | | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | |
| Net (Saving)/Deficit including Capital Charges | | (159,300) | (159,300) | (159,300) | (159,300) | (159,300) | (159,300) | (159,300) | 10 |
| Lease Income * | | (33,800) | (33,800) | (33,800) | (33,800) | (33,800) | (33,800) | (33,800) | |
| Total Net (Saving)/deficit including Capital Charges and estimated Lease | | (193,100) | (193,100) | (193,100) | (193,100) | (193,100) | (193,100) | (193,100) | 8 |

| Income | | | | | | | | | |
|--|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------|
| Potential Cost Avoidance re Inflation on Current Contract | | (31,000) | (46,900) | (63,200) | (79,800) | (96,700) | (114,000) | (131,600) | |
| Total Net (Saving)/deficit including Capital Charges and estimated Lease Income and Potential Cost Avoidance on Inflation | | (224,100) | (240,000) | (256,300) | (272,900) | (289,800) | (307,100) | (324,700) | 5 |

NOTES

Based on £18 per hour – Total savings and cost avoidance **excluding Capital Charges and Lease Income is £207,300 per annum**. This equates to a payback period of 8 years.

Housing Benefit – It is assumed that all Rent and Service charges will be covered by Housing Benefit as with Heather Court, however if that is not the case there is a risk that the shortfall will need to be funded by LBH.

Lease Income – This is an estimate based on current rental charges at Heather Court. The actual lease value would need to be confirmed.

Capital Charges – This represents the cost of borrowing and is based on 3% of the capital outlay.

Land Appropriation from the Housing Revenue Account (HRA) – There is a risk that costs associated with the transfer of land from the HRA to the General Fund will apply. It is unknown what these costs are at this stage and are therefore not included in the investment appraisal.

Figure 3: Estimated investment appraisal assumption 2: Tender at £20 per hour

| Investment Appraisal | 2019/20 | 20/21 | 21/22 | 22/23 | 23/24 | 24/25 | 25/26 | 26/27 | |
|---|-----------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Indicative Identified Cohort - Tender price £20 per hour | | Saving** | Cost avoidance* | Cost avoidance* | Cost avoidance* | Cost avoidance* | Cost avoidance* | Cost avoidance* | Payback in Years |
| Estimated capital investment | 1,600,000 | | | | | | | | |
| Running Costs | | | | | | | | | |
| Care and Support | | 621,500 | 621,500 | 621,500 | 621,500 | 621,500 | 621,500 | 621,500 | |
| Rent and Service Charges | | 64,800 | 64,800 | 64,800 | 64,800 | 64,800 | 64,800 | 64,800 | |
| Income | | | | | | | | | |
| Housing Benefit re Rent and Service Charges * | | (64,800) | (64,800) | (64,800) | (64,800) | (64,800) | (64,800) | (64,800) | |
| Net Cost | | 621,500 | 621,500 | 621,500 | 621,500 | 621,500 | 621,500 | 621,500 | |
| Current Estimated Cost | | 766,600 | 766,600 | 766,600 | 766,600 | 766,600 | 766,600 | 766,600 | |
| Net Operating (Saving)/deficit | | (145,100) | (145,100) | (145,100) | (145,100) | (145,100) | (145,100) | (145,100) | 11 |
| Capital Charges * | | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | |
| Net (Saving)/Deficit including Capital Charges | | (97,100) | (97,100) | (97,100) | (97,100) | (97,100) | (97,100) | (97,100) | 16 |
| Lease Income * | | (33,800) | (33,800) | (33,800) | (33,800) | (33,800) | (33,800) | (33,800) | |
| Total Net (Saving)/deficit including Capital Charges and estimated Lease | | (130,900) | (130,900) | (130,900) | (130,900) | (130,900) | (130,900) | (130,900) | 12 |

| Income | | | | | | | | | |
|--|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------|
| Potential Cost Avoidance re Inflation on Current Contract | | (31,000) | (46,900) | (63,200) | (79,800) | (96,700) | (114,000) | (131,600) | |
| Total Net (Saving)/deficit including Capital Charges and estimated Lease Income and Potential Cost Avoidance on Inflation | | (161,900) | (177,800) | (194,100) | (210,700) | (227,600) | (244,900) | (262,500) | 6 |

NOTES

Based on £20 per hour - Total savings and cost avoidance **excluding Capital Charges and Lease Income is £145,100 per annum**. This equates to a payback period of 11 years.

Housing Benefit - It is assumed that all Rent and Service charges will be covered by Housing Benefit as with Heather Court, however if that is not the case there is a risk that the shortfall will need to be funded by LBH.

Lease Income – This is an estimate based on current rental charges at Heather Court. The actual lease value would need to be confirmed.

Capital Charges – this represents the cost of borrowing and is based on 3% of the capital outlay.

Land Appropriation from the Housing Revenue Account (HRA) – There is a risk that costs associated with the transfer of land from the HRA to the General Fund will apply. It is unknown what these costs are at this stage and are therefore not included in the investment appraisal.

See Appendix 3 for Major Risks

See Appendix 4 for Outline Benefits Plan

Appendix 1: Background

Options explored

Prior to the completion of this business case, the following options have been discussed and rejected by the Supported Housing Programme Board in principle:

- Do nothing
- Request an external housing association to develop the solution

Local Authority Statutory Duties

Care Act

Under the Care Act 2014, it is the duty of the local authority to meet people's assessed eligible needs for care and support. The duty is supported by statutory guidance which clearly identifies the need for local authorities to consider a person's wellbeing in all manners of providing care and support, and in ensuring people have a choice over where they live.

Children and Families Act

The Children and Family Act 2014 places a duty on the local authority to ensure that all children and young people, irrespective of disability, are better prepared to lead a full, active and productive life.

Part 3 of the Children and Family Act 2014 outlines the Local Authority's responsibility to support children with special educational needs and disabilities, giving children, young people and their parents' greater control and choice over their care.

In addition, The Sufficiency Guidance 2010 places a duty on Local Authorities to improve outcomes for Looked After Children (LAC) by taking steps that secure sufficient accommodation to meet the needs of children in their care within the authority's area. Statutory guidance indicates children should live locally, with access to services and close to friends and family, when safe to do so. 'Having the right placement in the right place, at the right time', with necessary support services such as education and health, is crucial in improving placement stability, which provides better outcomes.

Transforming Care Partnership

The Transforming Care programme aims to improve the lives of children, young people and adults with a learning disability and/or autism who display behaviours that challenge, including those with a mental health condition. The programme has three key aims:

- To improve quality of care for people with a learning disability and/or autism
- To improve quality of life for people with a learning disability and/or autism

- To enhance community capacity, thereby reducing inappropriate hospital admissions and length of stay

It is a national plan to improve care and build the right support for people with disabilities, and there are 48 transforming care partnerships across England working to support this.

The programme is underpinned by the principle of building the right support for people with disabilities.

Improving health and care through the home memorandum of understanding 2018

The memorandum of understanding on improving health and care through the home is a Public Health England owned document which has been signed by over 25 government bodies and organisations in the health, social care and housing sector. It aims to set out a shared commitment between government, health, social care and housing sectors across England in order to work towards achieving better health and wellbeing outcomes and to reduce health inequalities for people⁹.

Demand

Findings from Housing Learning & Improvement Network (LIN) and Mencap on 'The Scope and Scale of the Specialised Supported Housing Sector'¹⁰ showed that 78% of people using supported housing have learning disabilities and/or autism with complex needs. The research estimates that there are between 22,000 and 30,000 supported housing units across the UK. Estimated demand for supported housing properties across the UK is anticipated to increase from the baseline of 22,000-30,000 to 25,000-33,500 units in 2017-18, and to 29,000-37,000 units in 10 years' time. This evidence points to a predicted national increase in the need for supported housing across the UK.

In line with the 'Better Living Programme'¹¹ and 'Systemic Approach'¹², it is likely that the council will be moving more towards using supported living services which have a focus on promoting independent living, and less towards using residential care. All indicators suggest therefore that an increased capacity for supported living services will both be beneficial for vulnerable people and in line with policy initiatives that will drive demand for this type of provision.

Using data from previous years, it can be summarised that the demand for accommodation comes from three broad areas:

- Young people with disabilities entering housing and support services
- People with disabilities who have been in accommodation and support for

⁹ GOV.UK: Improving health and care through the home memorandum of understanding
<https://www.gov.uk/government/publications/improving-health-and-care-through-the-home-mou>

¹⁰ Housing Lin and Mencap: The Scope and Scale of the Specialised Supported Housing Sector
https://www.mencap.org.uk/sites/default/files/2018-04/2018.052%20Housing%20report_FINAL_WEB.pdf

¹¹ Better Living Programme: Using a three conversations model to promote people's strengths and utilise community assets to meet people's needs

¹² Systemic Approach: An approach in which practitioners focus on fitting the system to the family and not asking the family to fit the system

- some time whose needs are changing and they need to move
- Older people with disabilities living with family or independently that require supported living because of a change in circumstances or increased need

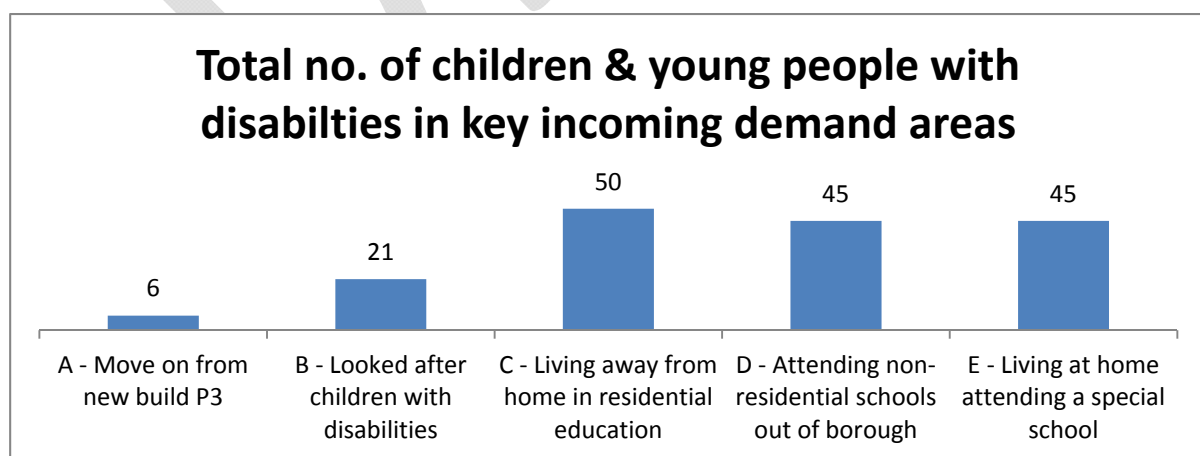
Driven by overall growth in the younger population, there are anticipated to be more young people with disabilities who will need accommodation in adult life. Based on operational intelligence, the greatest difficulty experienced is securing accommodation for those who need their own/additional space and who have needs that are incompatible with shared living arrangements i.e. having their own room but some/all shared facilities.

Data analysis shows that demand for accommodation-based support will come from the following groups of young people:

- Occupants of the proposed children’s SEND residential service (P2) reaching adulthood, moving on to long-term housing and support in Havering
- Looked after children with disabilities who no longer live with families, reaching adulthood and requiring long-term housing and support from adult social care in Havering
- Children under 18 and young adults over 18 with disabilities who already live away from the family home for long periods, including in residential schools, homes, hospital settings etc.
- Children and young adults with disabilities who are currently living at home but attending non-residential specialist schools out of the borough
- Young adults with disabilities who are living at home where family care was thought to be stable but unforeseen changes mean alternatives are needed, often at short notice
- Families moving into Havering with children and young adults with disabilities

It is recognised that there is existing demand for supported living services in addition to what has been analysed below.

Figure 4: Total no. of children and young people with disabilities in key incoming demand areas



A – Move on from the planned residential service (P2)

The proposed new residential service for children with special educational needs and disabilities, P2, will provide for a range of needs, including both long and short stay for a wide age range. It is likely that those approaching 18 will need a longer term housing and support solution and it is anticipated that this project, P3, will provide an option for some of those residents. The P2 residential service is proposed to have flexibility of providing up to six residential beds.

B – Looked after children who no longer live with families

There are 21 children with disabilities in residential homes or foster care. The number of looked after children has risen slightly over the last three years. The average cost of these services is over £2,400 per person per week.

C – Already live away from the family home for long periods

Of the 50 children and young adults attending independent schools; mostly out of the borough, it can be estimated that between 5 and 10 reside in some form of residential placement. The majority of this group are aged 15 to 24. Experience from Supported Housing Specialists suggests that the cost of a weekly board/term time for a school residential placement is upwards of £1,500 per person per week, and frequently over £2,000 per person per week.

D – Living at home but attending non-residential specialist schools out of the borough.

There are 45 children and young people attending non-residential specialist schools out of borough who still live with their families in borough most of the time. It is expected that a number of these people will require accommodation early in their adult life. The majority of pupils attending independent schools have complex needs including autism and severe learning disabilities.

E – Living at home attending one of Havering's three specialist schools

Excluding those identified in earlier groups above, there are a further 78 pupils attending the three main specialist schools aged 15 to 20; with 45 of those known to adult social care or transition teams. These clients have complex needs, and some children and young people also have profound and multiple disabilities and physical disabilities in addition to autism and other complex needs. It is assumed that some of these clients will require accommodation early in their adult life.

F – Inward migration

It should also be recognised that demand may come from inward migration to the borough. The child population in Havering is projected to grow from 56,671 to 61,148 by 2020 and 62,668 by 2021¹³.

¹³Office for National Statistics: 2016 Subnational population projections for England
<https://www.ons.gov.uk/releases/subnationalpopulationprojectionsforengland2016basedprojections>

Placement commissioning information

Based on data analysis of adult social care placements for people with disabilities aged 18-30, a number of conclusions can be drawn, including:

- Supported living placements make up half of the accommodation services accessed by people aged 18-30 with disabilities, making it the most used (figure 5)
- A high proportion (30%) of people aged 18-30 with disabilities in adult social care accommodation live out of borough (figure 6)
- On average, in borough supported living and residential care for people aged 18-30 with disabilities is 33% cheaper than out of borough provision (figure 7)

Figure 5: No. of people with disabilities aged 18-30 per accommodation type

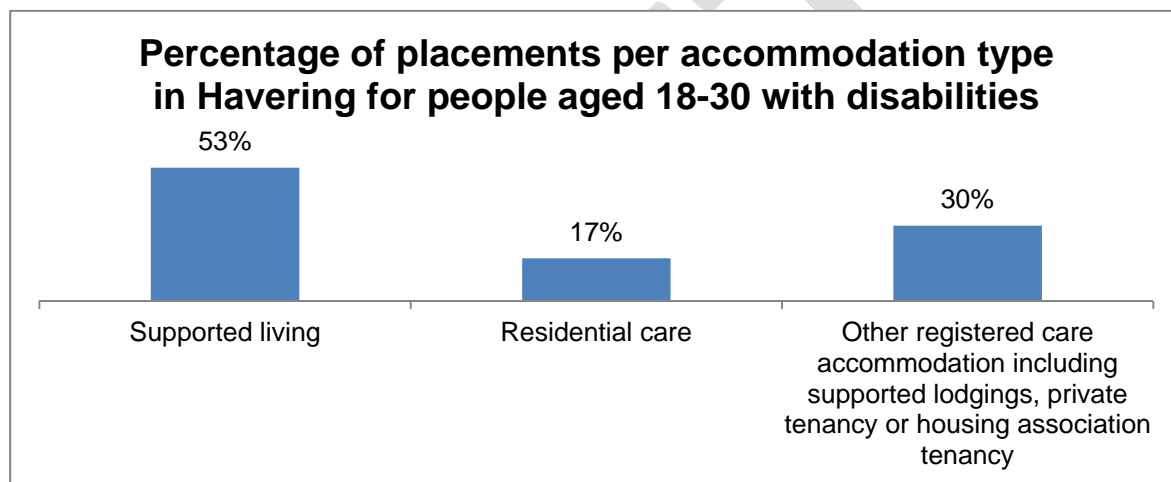


Figure 6: No. of people aged 18-30 in adult social care accommodation in borough and out of borough

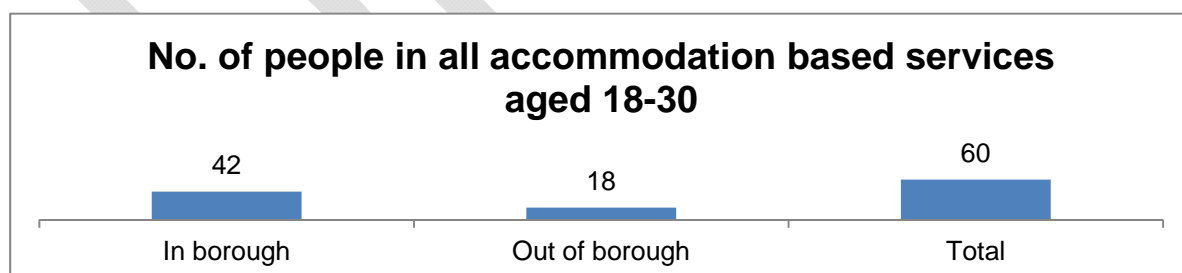


Figure 7: Average cost per week for people with disabilities aged 18-30 in out of borough and in borough accommodation services

Average cost per week for in borough and out of borough accommodation services for people with disabilities aged 18-30



Pathway planning

In 2016, the London Borough of Havering launched its 'face to face' programme in Children's services, which aligns its children's practitioners to a systemic approach. Systemic practice is often described as 'fitting the system to the family rather than asking the family to fit to the system'. This way of working focuses on keeping children and young people in their own homes or living in the community, which has in turn reduced the need for residential care placements for children and young people in Havering.

In 2018, the 'first point of contact practitioners' in the adult's social care team adopted a strengths based approach towards needs assessments and care planning in the form of a 'Better Living' programme. This way of working focuses primarily on identifying people's strengths and community assets, and connecting people to personal, family and community sources of support that may be available to help people with their presenting need. The long-term intention of this approach is that it will manage the demand on council services by reducing people's need for council intervention and increasing their use of community assets and resources to meet their needs.

In line with the principles of the Care Act and Children and Families Act, Havering aims to keep people living at home, connected to personal, family and community assets for longer; living as independently as possible, and this is demonstrated within both approaches outlined above.

It is anticipated that this service would primarily form one of the options for a young adult transitioning to adult social care services to live or practice living independently in the community on a long-term basis, or on a short-term basis as a stepping stone to more independent living, with support designed to maximise the individual's strengths and promote their independence.

There are a range of services or accommodation options available for children, young people and adults with special educational needs and disabilities or learning disabilities in Havering and it is anticipated that people could move to the new supported living provision from any of these provisions.

This can include:

- Children's special educational needs and disabilities residential care
- Children/young person's residential educational setting
- Foster care services

- Young people's semi-independent housing
- Home, living alone or with family
- Shared lives services
- Adult's residential care
- Adult's supported living services
- Hospital living setting

However, it is anticipated that the primary source of referrals will be for young adults with special educational needs and disabilities transitioning from children's to adults services from the following services or places:

- Children's special educational needs and disabilities residential care
- Children/young person's residential educational setting
- Foster care services, where appropriate
- Young people's semi-independent housing, where appropriate
- At home, living alone or with family

It is anticipated that the provision will issue short or fixed-term tenancies in order to enable the local authority and the people living there to reflect on their needs and the opportunities available for them to move on to other forms of housing and support.

The aspiration would be that, for those who achieve a high level of independence and for whom it is appropriate, the following types of accommodation could be accessed as the next step:

- Low cost home ownership for people with long-term disabilities (HOLD) with support and advice to access, and the appropriate care and support in place. This type of home ownership is a viable option for people with learning disabilities who earn enough to support a mortgage for all or a share of a property, have access to capital through their families, have an inheritance or trust funds or those who are in receipt of an Employment and Support Allowance who qualify for support for mortgage interest (SMI).
- Home ownership on the open market and support and advice to access, and the appropriate care and support in place.
- Social housing and support and advice to access, and the appropriate care and support in place.
- Private sector rented and support and advice to access, and the appropriate care and support in place.

Some of these care and support options that could be in place may be:

- Use of community assets and support networks i.e. friends, family, neighbours, carers, voluntary services, community groups etc.
- Use of equipment and assistive technologies
- A direct payment to purchase the relevant care and support that meets eligible needs
- A personal assistant to meet the eligible needs
- An individual service fund to meet the eligible needs
- A homecare service to meet the eligible needs

It is recognised that not everyone will be able to move on to one of the above forms of independent living and may move on to other forms of independent living with the appropriate support, including

- Shared lives services
- Low-level and/or long-term supported housing
- Residential and/or nursing care (in exceptional circumstances where an increased level of support is needed)

It is recognised that the above pathway will not be suitable for everyone and people may move around the pathway non-sequentially depending on their needs and circumstances.

It is also recognised that there may be individuals who will stay in the new supported living provision on a long-term basis as this is the optimal level of independent living that can be achieved.

It should be noted that there may be other variables leading to people with learning disabilities being unable to move on and live independently in dwellings in the community. This could be due to the limited availability of accessible properties. A paper developed by 'Equality Human Rights'¹⁴ highlights an estimation of typical local authority expenditure where there are no/limited accessible homes in the community, demonstrated within figure 8.

Figure 8: National estimation of typical public expenditure when adaptable and accessible homes are provided

| Item | Average cost nationally | Who pays? |
|--|---|--|
| Early move to residential care home | £26,500-£28,000 per year | Household or social care budget |
| Early move to residential care home with nursing care | £34,500-£54,000 per year | Household or social care budget |
| Single extra night in hospital due to temporary access needs not being met | £400 per night | NHS |
| Ramp to threshold and widen door of M4 Category 1 Home | £1,000-£2,000 depending on requirements | Household or Disabled Facilities Grant (Better Care Fund) budget |

As part of long-term planning for housing for people with disabilities under the Supported Housing Programme, consideration should be given to where accessible properties can be built and/or accessed through the general housing stock to cater for people moving on through the pathway to independent living. This is the subject of a separate report being compiled.

¹⁴ <https://www.equalityhumanrights.com/sites/default/files/housing-and-disabled-people-local-authorities-toolkit-england-planning-accessible-homes.pdf>

Comparable services and benchmarking

According to the ‘National Development Team for Inclusion’ (ndti) in their paper on ‘Developing Supported Living Options for People with Learning Disabilities¹⁵’, shared supported housing is the most common supported living model in England.

Findings from ‘Housing Lin’ on the scope and scale of the ‘Specialised Supported Housing sector¹⁶’ highlighted that over three quarters of the supported housing stock across the UK is provided within shared housing settings, for example, with tenants having a room in a supported housing scheme with shared communal facilities. The paper also highlights that more recent developments have tended to be self-contained housing units, often in a building containing a number of self-contained flats with or without some shared communal facilities.

The same report indicates through discussions with registered providers that whilst there is an ongoing demand for shared supported housing, it is likely that the reason there is a higher proportion of this type of supported housing available across the UK, demonstrated within figure 9, is due to shared housing being the predominant model in the past.

Figure 9: Total unit estimates of supported living across the UK

| Type of housing | Percentage |
|-----------------|-------------|
| Self-contained | 24% |
| Shared housing | 76% |
| Total | 100% |

The UK estimates are similar to the estimations for the split of housing types within Havering, demonstrated within figure 10.

Figure 10: Total unit estimates of supported living within Havering

| Type of housing | Estimated percentage |
|-----------------|----------------------|
| Self-contained | 27% |
| Shared housing | 73% |
| Total | 100% |

Specialists in supported housing development brought in for the development and delivery of the Supported Housing Programme in Havering¹⁷ recommend that local authorities venturing on building new supported living schemes build what is currently unavailable in the local market.

From the benchmarking information above, this further suggests that the local authority builds more services like Great Charter Close, as detailed below, with a model of self-contained flats.

¹⁵ https://www.ndti.org.uk/uploads/files/Supported_Living_-_Making_the_Move,_May_2010.pdf

¹⁶ https://www.mencap.org.uk/sites/default/files/2018-04/2018.052%20Housing%20report_FINAL_WEB.pdf

¹⁷ Supported Housing Consultants contracted to the London Borough of Havering

Due to the challenges highlighted from operational services around placing complex, costly clients in self-contained flats and the challenges with social isolation, it has been suggested that the model developed for the new provision includes self-contained flats with some shared communal facilities.

Case studies

Great Charter Close, Rainham – In 2015, Havering opened a council-owned supported living scheme as part of a regeneration of former garage sites. The building is owned by the local authority and the council commissions an external care and support provider to provide the support to residents. The care and support contract is made up of:

- A core service charge that can be used flexibly by the provider to meet the needs of the clients
- An agreed 'top-up' rate that can be used to provide additional hours of care required to meet eligible, assessed needs

The model included having four self-contained flats and three bungalows that people with learning disabilities could live in, with care and support staff on site in a flat on site. The flat used by care and support staff can also be used for training purposes.

Each individual flat/bungalow has its own kitchen, bedroom, bathroom, dining and living area; with all of the bungalows having access to a garden. The building is fully accessible with lifted access.

Great Charter Close is seen as a successful model in general but one of the key lessons from the building design is that there could be more shared communal spaces to promote social inclusion and enable opportunities for the residents to socialise with other tenants outside of their own flats.

Sunnyside House, Thurrock – As an example of an external supported living service outside of Havering, which Havering does utilise, Sunnyside House is a scheme for people aged 16+ which markets itself as an independence training home. The scheme's specialism is providing training, to people with learning disabilities and mental health needs, on life skills and independent living.

The scheme houses 14 people and all bedrooms are spacious with their own private en-suite.

The building has a number of communal areas, including a:

- Lounge
- Kitchen
- Dining room
- Summer house
- Garden

The building has three self-contained flats on site, which were purpose built as training flats. The flats each have:

- A shower or bathroom
- A kitchen
- Assistive technology

The scheme focuses on developing residents' independent living skills to encourage and promote people moving on to independent living in the community. They follow a 'My Life Learning Programme'¹⁸ which includes developing people's skills around:

- Budgeting
- Shopping
- Cooking and nutrition
- Washing and ironing
- Cleaning
- Using public transport
- Sexual health
- Socialising

The staffing levels within the scheme are flexible depending on the clients' needs.

Sanctuary Supported Housing, Leicester¹⁹ – This supported housing service is for people aged over 18, with housing that's been designed to meet people's needs and a care and support model that naturally encourages independence.

The service has three types of housing services, including:

- Supported housing, with low level housing management support only – care and support is not provided by the scheme on this site but can be brought in if residents need the support
- Supported living with care for clients with medium to high level support needs – to develop skills and provide personal care to enable residents to move on to supported housing or more independent living
- Residential care, for clients with high level support needs – the service provides support whilst promoting and encouraging the development of independent living skills, meaning that some residents either remain in the service but live as independently as possible, or move on to supported living as their skills and independence improves
- Floating support and community based support, provided to people who are not residents of the service, but require short-term support in their own home or community based setting to better manage challenging circumstances until they no longer need support

To focus on the supported living with care service, the building has large, purpose-built apartment buildings where people have their own flats with access to communal facilities. The properties are located in residential areas and are close to local amenities, leisure facilities and employment opportunities.

As the service offers communal living, the scheme reports that residents make new

¹⁸ <http://www.mylifelearning.co.uk/>

¹⁹ <https://www.sanctuary-supported-living.co.uk>

friendships, develop social skills and can get involved in group sessions such as cooking, gardening and film nights, should they choose to.

The residents in the scheme have medium or higher level support need, have their own tenancy agreements and rent their own home, while receiving support to build the confidence and skills needed to live independently. The scheme reports that, typically, people are ready to live independently or move on to alternative supported housing from between six months to two years.

Sanctuary Supported Housing, Hackney²⁰ – This supported living service has 25 fully furnished one-bedroom flats spread across three floors, with level access throughout the building, with the specialism of supported people with mental health needs or in mental health recovery.

The scheme has the following communal areas:

- A lounge
- A rehab kitchen
- Activity room
- Computer room
- Laundry room
- Shared garden

It also includes:

- A staff office on site
- CCTV
- Secure door access system
- Assistive technology

The care and support model is focused around the Mental Health Recovery Star Model²¹ and includes:

- Staff on site 24 hours a day, seven days a week
- An overnight concierge service
- Support with daily living skills
- Managing personal care and medication
- Maintaining a tenancy support
- Positive behaviour management
- Managing finances (budgeting and benefits)
- Building positive relationships
- Developing hobbies and interests
- Maintaining health, safety and security
- Signposting and accessing other services
- Planning a successful move-on
- Additional follow-on support to live independently once moved on

²⁰ <https://www.sanctuary-supported-living.co.uk/find-services/mental-health/london/park-lodge>

²¹ <https://www.sanctuary-supported-living.co.uk/our-services/mental-health>

National and local market conditions

In Mencap's report on 'Housing for people with a learning disability'²², it is evidenced that many people with a learning disability want to live a more independent life, which requires there to be housing arrangements that promote this. The report details that there are a number of barriers to achieving this, including:

- Resources: With growing demands on housing and support services, alongside reductions in local budgets, authorities find it increasingly difficult to house people with a learning disability and support them to live independently.
- Planning: Systematic failures in planning for the future of people with a learning disability are resulting in many areas not being adequately prepared. A lack of support for planning for the future by individuals and families may also lead to people with a learning disability reaching crisis point and, therefore, to high-cost emergency housing solutions.
- Complex needs: Some people with learning disabilities face greater barriers to independent living than others. This is largely due to a lack of planning, appropriate services and resources. The groups affected include: people with profound and multiple learning disabilities, people with a learning disability and behaviour that challenges; and people living with elderly parents.
- Lack of housing: 61% of local authorities believe that local housing arrangements do not meet the needs of people with a learning disability. This has led to long waiting lists, large numbers of people living far away from family and friends, and a high number of people living in arrangements that do not promote independent living.

According to Equality Human Rights' toolkit on 'Housing and Disabled People'²³, it is recognised that new housing has a critical role in bridging the gap between the need and availability of accessible and adaptable homes.

Within the toolkit, it is nationally recognised that, when developing housing for people with disabilities, local authorities face challenges, specifically around:

- Having variable access to, and confidence in, data used to support planning recommendations
- The requirement to demonstrate the viability of the plan
- The requirement to evidence the benefits of building accessible homes

Despite these challenges, it is recognised in national reports²⁴ that local authorities have opportunities within the planning process to promote the availability of accessible homes which develop the independence of people with disabilities. Independent research and evidence²⁵ suggests this can aid people to move on to independent living in their community.

²² https://www.mencap.org.uk/sites/default/files/2016-08/2012.108-Housing-report_V7.pdf

²³ <https://www.equalityhumanrights.com/sites/default/files/housing-and-disabled-people-local-authorities-toolkit-england-planning-accessible-homes.pdf>

²⁴ As above

²⁵ <https://www.equalityhumanrights.com/sites/default/files/housing-and-disabled-people-local-authorities-toolkit-england-planning-accessible-homes.pdf>

Appendix 2: Proposed Model

Summary

It is proposed that Havering contracts a provider to build a new supported living service in borough which is council-owned, with care and support being delivered by an external care provider.

We will commission a provider to deliver a high quality support service. We will test the market through a Prior Information Notice (PIN), which will also inform the subsequent tender. We expect a longer term contract that shares the risk of voids to be attractive to providers. Havering's ownership will enable us greater control on rental costs.

The development of the service specification and contract for the new build will be completed in partnership with Children's Social Care and development colleagues in Housing services.

We will work in partnership with our Housing colleagues to use land owned by the Housing Revenue Account (HRA). The location of the land has been identified and will be agreed following consultation with Councillors and local residents.

Proposed building design

The provision will consist of 6 self-contained flats/apartments, one staff office with a bedroom en suite and communal facilities.

The property could be built on one level or two levels; however it will need to be fully accessible.

It has been proposed that each flat will have the following facilities:

- Bedroom
- Bathroom
- Kitchen
- Lounge
- Dining area

And that the communal facilities include:

- Garden
- Laundry room
- Activity room that can be used flexibly for tenancy meetings, lounge space, activities, social gathering etc.
- Kitchen

To ensure the building is appropriate for the clients, considerations will be made to ensure the building/area:

- Is fully wheelchair accessible
- Is spacious

- Enables entrances of an ambulance/bus
- Has reinforced ceilings to cater for ceiling track hoists
- Has considerations for hard wiring of assistive technologies
- Has call alarm systems
- Has adjustable spaces
- Has car parking available within the area
- Is within an accessible neighbourhood with access to public transport and local amenities

As it progresses, options to enable a flexible design of the building, e.g. moveable features, will be explored.

Regard will be given to the statutory guidance 'Access to and use of buildings: Approved Document M²⁶' for the most appropriate category to be used.

It should be noted that the above considerations for the provision have been developed through independent research and intelligence about the client group from operational services. It is assumed that these considerations, including the category agreed for the building within the Approved Document M, may have an impact on the constructions costs and subsequent capital investment.

The capital outlay and construction costs will not accurately be known until the building design has been confirmed with the architects and the procurement for the construction provider has been completed. Housing Services have estimated that the construction will be £1.6 million for the purposes of completing this business case based on an estimated total floor area of 432.0m².

Proposed service model

Supported living has no legal definition but has a commonly accepted set of 'I' principles for people living in such services, which are defined in the Reach Standard in Supported Living²⁷:

- I choose who I live with
- I choose where I live
- I have my own home
- I choose how I am supported
- I choose who supports me
- I get good support
- I choose my friends and relationships
- I choose how to be healthy and safe
- I choose how to take part in my community
- I have the same rights and responsibility as other citizens
- I get help to make changes in my life

It is proposed that the model of the building be a supported living scheme where the local authority owns the building but does not deliver the care and support. The

²⁶ <https://www.gov.uk/government/publications/access-to-and-use-of-buildings-approved-document-m>

²⁷ <http://www.paradigm-uk.org/wp-content/uploads/2014/04/Reach-Support-for-LIVING.compressed.pdf>

building will therefore be owned by the local authority and the care and support will be delivered to residents under a separate contract.

There are a range of options for the delivery of the care and support model, including:

1. Tenants use a personal budget to pay for care and support to be delivered to them within the setting
2. Tenants receive a direct payment and use this to pay for their care, support and other assessed needs
3. A block contract is commissioned to deliver the care and support to tenants with a set number of hours that can be used creatively to meet people's needs, with residents or the council purchasing additional top-up care as required either through the provider or another service via the local authority or themselves via a personal budget or direct payment

It is proposed that the council considers option 3 as the service model. This provides better value for money by establishing a core contract that can be provided flexibly to offer varying levels of individual support, while offering some stability to the provider, and the ability to add on additional hours where required.

As the local authority will not be delivering the care and support, the authority and the scheme itself will not be required to register with the Care Quality Commission (CQC)²⁸, as set out within the Health and Social Care Act 2008. However, the care and support provider operating in the scheme will be required to have the relevant registration with the CQC.

As a minimum principle, it is expected that the care and support provider will have duties and outcome/performance indicators around promoting independent living and developing residents' life skills in a personalised and strengths based way. Through a series of market warming and operational workshops/events, the model of care to be delivered within the service will be finalised through a comprehensive service specification.

Running costs

Service charges

The Havering Income Team have provided an estimation of what will need to be paid for as a minimum based on the service charges at Great Charter Close:

- Waste Collection
- Street CCTV
- Community Warden
- TV Aerial
- Door
- Estate Environmental Services
- Fixed Security System
- Grounds Maintenance

²⁸ https://www.cqc.org.uk/sites/default/files/20151023_provider_guidance-housing_with_care.pdf

- Sheltered Housing Cleaning

Rent

The rent will not be known until the building has been completed. The Havering Income Team suggests that the building will be charged under 'affordable rent', which is currently set at 80% of the market rent in the area the building resides within. 'Affordable rent' is currently worked out on current rent (80% of the market rent) minus 1 percent. From the 2020/21 financial year, the Income Team advises that this will change to current rent plus 1%.

The Housing Benefit Team has assumed that the clients will be able to apply for Universal Credit or Housing Benefit in order to fund their rent and service charges in full, as it is expected that all clients will be over 18 and will be eligible for the level of Universal Credit or Housing Benefit required to fund the full costs. This is an assumption and will need to be confirmed as the project progresses as it will be dependent on both the client's employment situation and the actual cost of the rent and service charge.

In order to calculate an estimated rent and service charge for the new provision, an average has been taken from rates at Heather Court, a commissioned service run by a Housing Association with a similar building structure; with self-contained flats and communal spaces.

Figure 11: Rent and service charges based on a current similar provision²⁹

| Site | No. of units | Rent charge | Service charge | Total |
|---------------|--------------|-------------|----------------|---------|
| Heather Court | 16 | £107.90 | £99.37 | £207.27 |

Although the rent and service charge will not accurately be known until the construction of the building has been completed, these figures can be used as an indication.

Procurement timetable

There will be two procurement exercises taking place:

1. Building development contract procurement
2. Care and support contract procurement

The service model is proposed as being a block care and support contract delivering a core amount of hours that can be used flexibly, with additional top-up care being purchased for/by individuals as required. This will mean that a procurement exercise will need to be undertaken for a care and support contract.

Housing Services have estimated that the earliest build completion date will be April 2020. The procurement of the care and support provider will be done within this timeframe and its completion will be aligned to the relevant stages of the building construction so the provider can contribute to the final design.

²⁹ Information correct as of October 2018

Contracts and lease agreement

The proposed contract length for care and support is five years with the option to extend up to a further two years. The total contract value will depend on the costings submitted during the tender. For a five year contract it is estimated that the total contract value will be £2.8million, and £3.9million using the further two years extension.

It is expected that the care and support provider will have responsibilities in relation to the building.

The full details of the contract and service specification will be worked through following a series of coproduction workshops with operational teams and service users, and following market warming events being held with potential bidders.

Tenancy/licence agreement(s) with residents

It is assumed that clients living in the provision will be issued with short-term tenancies of between 12 and 24 months in order to promote move-on through the pathway towards independent living. There is an assumption that people, due to their needs, may need to extend their tenancies for an additional period whilst their move-on provision becomes available or due to their continuing need for support. It is assumed that the type of tenancy and length will be developed as the project progresses.

Referral and allocation pathway

There will need to be a formalised arrangement to process the service referrals and monitor the placements frequently. Should a vacancy arise, planned or urgent, a discussion will need to take place regarding the vacancy and to identify an eligible/appropriate person to move into the accommodation. It is anticipated that this discussion will be held at a joint allocation meeting for this and other similar supported living services.

The clients currently living in the provision will also be discussed in terms of their progress on meeting identified outcomes and their needs, in order to link people with other community services and assets to support them and identify their next step.

As short-term tenancies are anticipated to be issued, this forum can also be used to forward plan upcoming vacancies and ends to tenancies, including extending tenancies or working with the individual to explore appropriate move on options.

Sustainability and exit strategy

Sustainability

For the proposed service model, the intended length of stay will be short to medium term in order to prepare residents as much as possible for independent living.

It is recognised that not everyone will move on to more independent living and in these instances the tenancy may be extended for a prolonged period. Also, if people

are settled and there is no housing available in the market, the tenancy may be extended until such housing becomes available.

The sustainability of this service and other locally commissioned services will be reviewed yearly to ensure that the contract delivers outcomes and fits into the care and support pathway, with regular quarterly contract monitoring taking place. This will allow the opportunity for commissioners and other stakeholders to review the current and future demand. This will also enable discussions to be held regarding the residents and the status of their lease, in order to establish the pending vacancies.

Exit strategy

If the business need for such a service decreases over time, or does not realise value for money, the asset could be released to general housing stock with minimal additional investment due to the flexible design of the buildings.

The Havering Housing Market Position Statement 2018³⁰ indicates that Havering's full objectively assessed housing need is for 25,200 new homes over the period between 2011 and 2033. This information also identifies the need for affordable housing and the size of properties required, which further demonstrates that these dwellings will be appropriate to be released to general housing stock.

³⁰ Table 4.1 Havering's Objectively Assessed Housing Need (Outer North East London SHMA – Update for Havering 2016)

https://www.havering.gov.uk/download/downloads/id/1958/lbhlp15_housing_position_statement_2018.pdf

Appendix 3: Major Risks

| Description of Risk | Impact | Likelihood | Total | Mitigation |
|---|--------|------------|-------|--|
| The construction costs are estimated and the accurate cost will not be known until build completion. | 3 | 2 | 6 | Work with housing and architects to develop detailed designs based on the model to ensure costs are as accurate as possible. |
| Capital requirements (C2s) are estimated – could be misleading. | 3 | 3 | 9 | Realistic capital costs are being modelled for the project. |
| Planned savings are not realised. | 4 | 3 | 12 | Robust financial analysis and value for money gained through procurement and work completed with operational services to identify clients. Exit strategies planned. Ensure construction is completed on time. |
| Building project is not delivered within time frame. | 4 | 2 | 8 | Ensure that the building project is delivered in line with the procurement of the care and support provider. Meet regularly with housing so that issues with the build timeframe are communicated and resolved in a timely manner. |
| The building specification is not appropriate to meet the needs of adults with disabilities. | 3 | 3 | 9 | OTs to review architect's designs and design of the building to be jointly developed with commissioning and the operational team. |
| The care model is not appropriate to meet the needs of adults with disabilities. | 3 | 2 | 6 | Co design with people with disabilities and operational teams. |
| Management of voids. This is an increased risk for the shared accommodation. | 4 | 2 | 8 | Communication with provider, setting up an allocations panel. |
| Demand may change and the need for the provision may no longer be there by the time the provision is available. | 3 | 4 | 12 | Develop a comprehensive exit strategy and ensure robust contract management mechanisms in place. |
| Availability of accurate data on the client group to inform project design and specifications. | 2 | 3 | 6 | Work with operational teams, and housing consultants to gather the data that is needed from various sources. |

Appendix 4: Outline Benefits Plan

| Ref | Accountable person for benefit realisation | Expected benefit | Baseline to measure against | How will achievement be measured? | When benefit can be measured? | Frequency when the benefit will be measured | Resources required for review |
|-----|--|--|--|---|---|--|---|
| 1 | Barbara Nicholls | Increased proportion of adults aged 18-30 with disabilities in supported living will be in borough | % of supported living placements for adults aged 18-30 outside the borough before the provision is available | Monitoring the % of placements made for the transitions cohort out of borough once the provision is available | From 20/21 financial year or when accommodation is occupied fully, whichever is the earlier | Quarterly through 20/21 financial year or when accommodation is occupied fully, whichever is the earlier | Performance team, Joint Commissioning Unit, Operational Services |
| 2 | Barbara Nicholls | Reduction in unit cost of supported living placements | Unit costs for supported living for 3 years prior to new provision. | Overall unit costs of supported living in 20/21 compared to previous years and unit cost of placements in this provision compared to on-going placements through other provisions | From the start of the first placement | Quarterly through 20/21 financial year For the comparative data against what the costs are for other placements made, from the start of the first placement | Performance team, Joint Commissioning Unit, Operational Services |
| 3 | Barbara Nicholls | Improved outcomes | Feedback following consultation with service users, their families/carers and operational staff | Annual consultation | Dec 2020 in year 1 Dec 2021 in year 2 | Annually | Performance team, Joint Commissioning Unit, Operational Services, service users |