

## **Report to Cabinet**

**January 2020**

### **The National House Project**

#### **Report by Executive Director of Children, Young People and Learning**

**Electoral division(s): All**

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### **Summary**

West Sussex County Council is relentless in its ambition for care leavers to experience a safe, happy, healthy and successful life; one in which they;

- Are better prepared and supported to live independently,
- Have improved access to education, employment and training,
- Experience stability in their lives and feel safe and secure,
- Receive improved access to health support, and
- Achieve financial stability

The National House Project is part of the DfE Innovation Programme, which affords an opportunity to increase and further enhance the range and choice of accommodation for young people who are care experienced. The aim of the project is to better prepare care leavers for independence, help them take ownership and responsibility for their accommodation and support them to improve their outcomes.

The evidence from other House Project sites indicates that the service is effectively improving outcomes for care leavers and has reduced demand on supported accommodation from young people that are willing and able to live independently with support. Developing a local house project in West Sussex would enable care leavers to be provided with affordable social housing locally, delivering improved outcomes for these young people at lower costs and reduce demand on wider local authority and partner agency budgets. It is therefore proposed to create a local house project in West Sussex.

### **Recommendations**

- (1)** That Cabinet approves the implementation of a Local House Project in West Sussex in order to deliver the savings outlined in this report.
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## **Proposal**

### **1 Background and context**

- 1.1 The Council currently sources accommodation options for looked after people aged 16+ through a dynamic purchasing system (DPS), which has been in place since 2017. This mechanism provides young people with placement options that support them to develop the necessary skills to transition to full independence.
- 1.2 Young people are leaving care with the knowledge and understanding needed to sustain independent living. However, identifying and securing appropriate, local and affordable accommodation for them to transition on to is a constant challenge.
- 1.3 Every year in England around 10,000 young people face the daunting prospect of leaving care – moving to independence without the support of close family and at a much earlier age than the general population. The experience has been likened to being “dropped off a cliff”. Research suggests that about a third of care leavers experience homelessness within the first two years after leaving care. They are more likely to experience mental health problems and to spend time in prison (more than a quarter of adult prisoners were once in care).
- 1.4 There is a tendency in care to focus on managing risk and vulnerability, which means looked-after young people can lead quite sheltered lives up to the point they move on.
- 1.5 It was against this backdrop that the National House Project framework was developed. The project takes a ground-breaking approach to enabling young people leaving care to achieve successful independence through its commitment to young people’s ownership.
- 1.6 The project, which became a charity in 2018, supports councils to set up local schemes that are co-produced with housing partners. There are currently 11 local House Projects in different parts of the UK. Meanwhile, the National House Project is working with the Life Changes Trust to establish projects in Scotland.
- 1.7 The National House Project provides support and guidance to local authorities through a paid membership arrangement to establish a local House Project, see 2.3.
- 1.8 The model for the project is a housing company based on a tenant-managed housing co-operative model, run for, and by, young people aged 16-18 who are leaving care. It comprises a staff team, (including facilitators to support young people) and a range of partner agencies. The properties are allocated to House Project young people under tenancy agreements, alongside a bespoke package of support until the young person is considered ready and able to transition out of the project, at which point they and their home revert to a standard long-

term council tenancy. The project involves young people working with the project team to refurbish the property, to engender a sense of ownership and enable them to create a home that meets their needs.

- 1.9 Crucial to the success of the House Project is the stock and flow of suitable properties via registered housing providers (RPs) or from district and borough council housing stock.
- 1.10 The project aligns closely to the developing national policy and legal context, which asks local authorities and its partners to intervene more effectively and in some circumstances for longer to redress the poor outcomes all too often associated with care leavers. The House Project provides an opportunity for West Sussex County Council to continue to strengthen its response to the needs of young people in this way.
- 1.11 The project also supports the recently launched West Sussex Health and Care in Housing Memorandum of Understanding, which sets out the overarching goal for the county to become an exemplar of good practice in joint working between health, housing and social care in order to deliver the best outcomes possible for the vulnerable households reliant on these services in West Sussex.

## **2 Proposal details**

- 2.1 The aim of the House Project is to provide a new accommodation offer for care leavers with longer term savings for the wider public sector through improved outcomes.
- 2.2 The proposal is to fund a local House Project for a 3-year period. Implementing a local House Project will offer a group of care leavers (each project generally works with between 10 and 15 young people at one time) with the opportunity to take ownership of their accommodation from the start; for example, from furnishing and decorating, to minor structural changes, to managing their own tenancy. They will do this with specialist support from the project team, who will work to a psychologically informed practice framework (ORCHIDS) and whose approach will be trauma informed (including formulations, risk assessments, safety plans, attachment and drug related issues). This will help to equip care leavers with the necessary practical and emotional skills to deal with the challenges that they may experience in managing a tenancy or household. In addition to the professional support, all the young people in the project will form a network and support each other on a day-to-day basis.
- 2.3 The Local House Project will be managed and run by WSCC. The membership agreement will provide us with support and guidance from the National House Project and will be jointly worked under a partnership. The membership programme will provide WS staff with training and support to deliver the ORCHIDS framework. The membership includes team formulation to inform

and deliver tailored support along with monthly consultation for WS staff. The Local House Project staff will be provided with monthly meetings to;

- Share practice and service developments
- Develop Policies and Procedures
- Deliver professional inputs on
  - ORCHIDS Framework
  - the House Project Programme,
  - trauma Informed Practice
  - performance
  - documentary making
  - evaluation,
  - engagement with young people and Care Leavers National Movement (CLNM)
  - web design and maintenance

The WS Local House Project will have access to, and support with the set-up of our House Project Programme. Further support from the National House Project will include;

- developing local partnerships to build support for the programme;
- how to work with young people in informal non-classroom environments;
- resources for each module;
- regular practitioner team support and moderation meetings;
- national networking opportunities for the Local Authority's Virtual Head and other members of the team.

The Children's Contract and Commissioning team will oversee the project and provide regular QA reports and evaluations. An evaluation framework based on ORCHIDS has been developed by the Care Leavers National Movement (CLNM) and will be used by young people to peer review each other's LHPs. The Young People will be trained to evaluate.

- 2.4 Based on successful outcomes (to be reviewed at the end of year 2) there will be the opportunity to extend the Local House Project beyond the 3-year period. Any extension will be subject to a new re-procurement process.

### **3 Other options considered (and reasons for not proposing)**

- 3.1 An alternative option would be to continue with the housing support options already in place in West Sussex and not consider developing a local House Project. However, given the projected number of young people who are likely to require supported accommodation in the next four years (the number of CLA who are 16+ has grown by 20% in the past 12 months, from 221 in Nov 2019 to 265 in Nov 2020) and the limited options currently available to these young people, an expansion of options would be beneficial to avoid young people remaining in unsuitable placements which are not effectively preparing them for independence.

## 4 Consultation, engagement and advice

- 4.1 The House Project was co-designed with young people from the start and works on cooperative principles through which adults and young people in and leaving care work together to refurbish properties that become their homes, developing a long-term community of support. The process focuses on maximising young people's ownership of all aspects of the project, so they feel proud of what they have developed and have confidence in themselves and their futures. More detail on how young people have been engaged in the national project's design, and will be locally should this project be adopted in West Sussex, can be found in Appendix A.
- 4.2 This proposal will be scrutinised at the meeting of the Children and Young People's Services Scrutiny Committee in January 2021.
- 4.3 There is a need to secure a strategic relationship with a Registered Provider of social housing (RP) and develop a better understanding and strategic approach to how the Council works with all housing resources, in the District & Boroughs, local housing providers, housing support providers and other VCSE organisations, to improve housing outcomes for young people 16+.
- 4.4 We require sector expertise to achieve this and therefore we require the services of Housing Associations' Charitable Trust (HACT) to unlock the wider resources in the community that improves access to housing and improved outcomes for children and young people. HACT is an innovation agency providing future-oriented solutions, projects and products for UK social housing. HACT work alongside social housing organisations to drive change within their own businesses through a platform of projects, products, research, insight and consultancy.

## 5 Finance

### *Revenue consequences*

- 5.1 The itemised projected revenue costs per annum for the project are as follows; all project staff will be directly employed by the Council.

<b>Project costs</b>	<b>Per annum cost</b>
Project Manager	£55,000
2 x Facilitators	£80,000
Expenses	£5,000
Activities linked to project	£5,000
Decorating	-
National House Project membership fee	£50,000
Psychology support	£12,000

Office space *	£10,000
Refurbishment	£20,000
Other Costs	£13,000
<b>Total</b>	<b>£250,000</b>

**\*please see point 5.3 (c).** This accommodation has not yet been sourced; however the preference and first option will be identifying suitable accommodation within Council's current assets. Therefore, depending on whether suitable existing accommodation can be found there is potential for this £10k of funding not to be required.

5.2 Incorporating the projected savings that will be delivered by this project (see paragraph 5.3), the overall impact to the children's revenue budget is as follows.

	<b>Current Year</b> 2020/21 £m	<b>Year 1</b> 2021/22 £m	<b>Year 2</b> 2022/23 £m	<b>Year 3</b> 2023/24 £m
Revenue budget for placements for young people aged 16+	6.30	6.30	6.30	5.55
Budget increase to cover House Project costs	0.00	0.25	0.00	0.00
Savings delivered through reduction in placement costs	0.00	-0.25	-0.75	0.00
Remaining budget	6.30	6.30	5.55	5.55

5.3 The effect of the proposal:

- (a) **How the cost represents good value.** The proposal will offer improved value through moving young people to more cost-effective arrangements that better prepare them for independence. A study of the House Project scheme nationally (see Appendix A) noted an "indication of improvements in young people's wellbeing and in early progress across outcomes". Based on evidence from the national work of the scheme to date and estimates provided by the House Project using West Sussex data, the following table demonstrates the potential savings which can be achieved through moving young people from different placement types into a House Project scheme.

Original Placement Type	Average cost	Local House Project cost (under 18)*	Local House Project cost (over 18)	Minimum cost avoidance	Maximum cost avoidance
	(a)	(b)	(c)	(a) - (b)	(a) - (c)
Internal Foster Care	£ 18,000	£ 6,336	£ -	£ 11,664	£ 18,000
Independent Foster Care	£ 48,600	£ 6,336	£ -	£ 42,264	£ 48,600
Independent Residential	£ 239,700	£ 6,336	£ -	£ 233,364	£ 239,700

All costs are per annum, based on a full year effect for 1 young person

\*Rent rate for the South East taken from; [Regulator of Social Housing](#); Published 26 September 2019 (highest amount used) -London, the South East and the East of England have the highest net rents on average (ranging from £98.99 to £121.85 per week) and the North East has the lowest average weekly net rent of £77.89

Based on these figures, the following examples give an indication of what a scheme with capacity for ten young people might deliver;

- One young person moving from independent residential provision (£239,700) and nine young people moving from internal fostering (£162,000) reducing annual placement expenditure by a total of £401,700 – this will cover annual operating costs and achieve a saving of circa £200,000.
- Six young people moving from independent residential provision (£1,438,200) and four young people moving from independent fostering (£194,400), reducing annual placement costs by a total of £1,632,600 – this will cover annual operating costs and achieve a saving of circa £1,400,000.

(b) **Future savings/efficiencies being delivered** On this basis, it has been agreed the Council will identify independent sector residential placements as an area of focus due to the potential to maximise the savings achievable, and therefore an overall saving of £1m has been allocated to this project for 2021/22 and 2022/23. Please note the above examples are based on 10 young people. The maximum number of young people in one

Local House Project is 15. For the first Local House Project the Council intends to aim for 12 young people and therefore, depending on the original placement type of the identified young people, the actual amount of savings delivered could be higher. The National House Project scheme is not prescriptive about the route and placement type from which a young person moves into the project. The move must be right for the young person and, given that the work is very much driven by young people, the cohort of young people needs to be able to work together and have a range of skills and contributions. Each local House Project determines which young people join the project and therefore any opportunity to delivery savings.

- (c) **Human Resources, IT and Assets Impact.** This proposal will require the Council will need to recruit the recruitment of one Project Manager and two Facilitators to support the project. The National House Project will provide job descriptions and person specifications for these roles, which will be evaluated by HR officers prior to recruitment, and will support with the selection and recruitment of staff if required. In terms of young people’s accommodation there will be no asset implications for the Council as a result of this proposal, as all properties will come from district, borough or RP housing stock, with the young people as the holders of any tenancy. The project will need a base which serves both as an office for staff, but more importantly a safe space for young people to meet on a regular basis with the option to drop in for support as and when required. It would be helpful if the base had cooking facilities. This accommodation has not yet been sourced - however the preference and first option is for suitable accommodation within Council’s current assets.

## 6 Risk implications and mitigations

Risk	Mitigating action
<p>Dependency on housing partners to buy into the project and ensure sufficient 'stock and flow' of suitable properties.</p> <p>At this stage we do not know where the properties will be.</p>	<p>The development of the Health in Housing Memorandum of Understanding (MoU) to co-develop and make a collective commitment for Care Leavers. The MoU follows a number of reset opportunities within West Sussex which build on the partnership working that has been developed around the ongoing joint response to the Covid-19 pandemic. A key opportunity has arisen to also bring a much greater involvement from local health partners in future housing planning, in the role that housing plays in long-term population health.</p> <p>HACT to support in understanding the opportunities of working with local housing</p>

Risk	Mitigating action
	organisations in new ways to secure properties.
<p>Projected savings of £250K for 21/22. There is a risk savings will not be achieved in the Local House Projects first year. The project plan/timeline plots actual move on for the first cohort (from their current placement) in year 2. A further risk to this timeline is the dependency on Housing partners to provide enough housing stock in year 1.</p>	<p>The first cohort of young people could include older young people who potentially could move on from their current placement with more pace. With the services of HACT we increase our likelihood in securing timely agreements and allocations from Housing partners.</p>
<p>There are likely to be complex legal processes and negotiations involved in establishing the local House Project as a company, negotiating contracts for leasing properties etc. – these may impact project delivery times.</p>	<p>Savings targets have been set for 2022/23 in order to allow sufficient time for the project to bed in. The project will align with other work to develop a more strategic approach to housing across West Sussex and improve relationships with and buy-in from partners, which will support delivery. A dedicated project manager will help ensure that timelines are adhered to.</p>
<p>The delivery of benefits may be impacted by the level and type of occupancy of the scheme; either by delays to young people moving in or out of project accommodation, or if insufficient young people are identified to take part in the scheme from placements that have been identified as a priority (i.e. residential care).</p>	<p>The project team will establish a robust process and clear links with relevant operational staff (e.g. the Leaving Care service) to ensure that referrals to the scheme are appropriate and that transitions into and out of the scheme are planned well in advance.</p>

## 7 Policy alignment and compliance

7.1 The House Project will support the Council to deliver its strategic commissioning aims by;

- Providing a pathway for local and affordable social housing,
- Supporting the Council to align with the guidance issued by the Ministry for Housing, Communities and Local Government (Joint Housing Protocol for Care Leavers (Oct 2020)

<https://www.gov.uk/government/publications/joint-housing-protocols->

[for-care-leavers/joint-housing-protocols-for-care-leavers-good-practice-advice](#)

- Supporting the [Local Offer for care leavers](#), and
- Supporting the aims of the Health in Housing MoU to co-develop and make a collective commitment towards the use of housing to improve the long-term health and wellbeing of communities

7.2 The Local House Project will be procured under a Single Tender Waiver. The National House Project is the only provider offering this service therefore we intend to commission the project using a Direct Award.

7.3 The West Sussex Local House Project will increase opportunities for Care Leavers to prepare for and access local affordable long-term housing. Nationally there is limited appropriate housing opportunities for young people when leaving the care system, this has led nationally to one third of Care Leavers becoming homeless within the first two years of leaving care and 25% of homeless people are care experienced.

### **Lucy Butler**

Executive Director of Children, Young People and Learning

### **Contact Officer:**

Shelly Dichello – Children’s Contracts and Commissioning Manager, 03302224131

### **Appendices**

A –DFE: The House Project evaluation October 2020

**Background Papers** – None