

# Decision Pathway – Report



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 03 November 2020

<b>TITLE</b>	<b>Next Steps accommodation funding to tackle rough sleeping</b>		
<b>Ward(s)</b>	<i>City wide</i>		
<b>Author:</b> Paul Sylvester	<b>Job title:</b> Head of Housing Options		
<b>Cabinet lead:</b> Helen Godwin	<b>Executive Director lead:</b> Stephen Peacock		
<b>Proposal origin:</b> <i>BCC Staff</i>			
<b>Decision maker:</b> Cabinet Member <b>Decision forum:</b> <i>Cabinet</i>			
<b>Timescales:</b> Cabinet 3 <sup>rd</sup> November 2020			
<b>Purpose of Report:</b>			
<ol style="list-style-type: none"> <li>To seek Cabinet approval to authorise the Executive Director of Growth and Regeneration to approve the grant award and spend from Ministry of Housing, Communities and Local Government (MHCLG) Next Steps fund.</li> </ol>			
<b>Evidence Base:</b>			
<p>Bristol City Council and its partners are working together with the aim that nobody need sleep rough in Bristol. This work is being co-ordinated through two City wide initiatives with a focus on innovation and system change. Our One City Move On project aims to significantly increase the number of affordable rented properties that are available to people who are homeless or threatened with homelessness. A range of options are being progressed including new modular development, private sector leasing and increasing supported move on accommodation. Our Change for Good Initiative is a collaboration between Bristol City Council, Clinical Commissioning Group (CCG) and Golden Key. This was launched last month by the Mayor and commits to positively change how agencies in the city work together to support people with complex needs, starting with people who are homeless and in the homeless pathway.</p> <p>The Next Steps Accommodation Programme (NSAP) will deliver much needed accommodation and support as part of these initiatives.</p>			
<b>MHCLG Next Steps Accommodation Programme</b>			
<p>This programme makes available financial resources to support local authorities and their partners to prevent people currently accommodated in emergency accommodation, as a result of the Covid “Everybody In” response, from returning to the streets.</p> <p>The Programme comprises two funds: interim; and long-term.</p> <p>The interim fund makes available £105m of funding to deliver interim accommodation / options for rough sleepers, supporting people into tenancies of their own (e.g. rental deposits), as well as securing alternative rooms already available and ready for use (e.g. hotels and student accommodation).</p> <p>The long-term fund makes available £161m of funding for long-term, move-on accommodation – £130m capital funding and £31m revenue funding for support services.</p> <p>The focus of the fund is on delivering supported move-on accommodation, through the flexible use of local authority</p>			

stock, Registered Provider stock, housing in the private rented sector and new build supply.

New accommodation, whether supported by capital or revenue, needs to be delivered by 31st March 2021. Bids for revenue funding can cover a 4-year period (inclusive of 2020/21) where it is for support relating to the creation of additional move-on units.

### **Bristol bid**

This report relates only to the first phase of the Next Steps Accommodation Programme. We will engage with Homes England and MHCLG continuous market engagement (CME) in the near future to consider further capital development proposals for future rounds. Some capital proposals submitted to us this time are not deliverable by March 2021, but can still be considered within the CME process going forward.

A bid totalling £9.320m was submitted on 20<sup>th</sup> August to the MHCLG next steps fund. The table below shows a breakdown of the elements of the bid and the confirmed award across the financial years.

	Bid £m	Awarded £m	2020/21 £m	2021/22 to 2023/24 £m
2020/21 Revenue funding	2.174	1.936	1.936	-
Capital expenditure	4.694	tbc	4.694	-
Revenue linked to capital	1.688	tbc	-	1.688
Long term revenue	0.764	tbc	-	0.764
<b>Total</b>	<b>9.320</b>	<b>1.936</b>	<b>6.630</b>	<b>2.452</b>

### **Summary of proposals**

#### **1. Interim costs (20/21) £1.936m**

- 1) To cover the costs of the hotel and youth hostel provision –for the majority of hotel provision this is for use up to the end of September.
- 2) One hotel will continue until March next year (at reduced capacity, 32 rooms)
- 3) YHA and YMCA continue into 2021
- 4) Use of a block contract for shared housing to create a cluster of houses where residents can be supported by a remodelled Rough sleeper initiative (RSI) funded support team and additional dispersed accommodation that enabled clients to move on out of the hotels for a short period until longer term solutions are secured
- 5) Provision for those with no recourse to public funds (NRPF) – through Temporary Accommodation and accessing 2 units within our partners non-commissioned youth provision
- 6) Taken on an ambitious private sector scheme in September – providing 120 studio and one-bed flats at Imperial Apartments on assured shorthold tenancies (AST) at affordable rent level (ASTs)

The cost of support services for individuals in the hotels (and then on into Imperial Apartments and block contract for shared housing) is covered by remodelled RSI funding and other resources from existing providers

#### **2. Long-term fund (2021-22 to 2023/24)**

Supported move on options for rough sleepers, supporting people into self-contained accommodation.

Revenue request: £1.688m and capital grant funding(from 2020/21)of £4.694m will deliver 85 homes for long term Supported Move On to properties identified by BCC and local partners, and a further 128 flats that will be available for at least the next three years.

Support for the clients moving on to new accommodation will include:

- 1) A Housing First style programme (for 14 of the 28 complex, long term rough sleepers/returners where a settled accommodation offer alongside access to an intensive support service is more appropriate and cost-effective).
- 2) A new Supported Move-On Team to support all the clients moving into the Supported Move on properties.

**3. Revenue only requests within main NSAP bid: Total request: £764,190**

- 1) Housing First style programme (for the other 14 of the 28 complex, long term rough sleepers/returners identified for this project).
- 2) Financial Incentives to support 50 people to transition from the street into longer term supported accommodation.
- 3) A dedicated social worker carrying out Care Assessments to help access a care package and alternative more appropriate housing options.
- 4) Revenue Support for the remaining 6 months costs of the HMO block contract delivering 120 interim accommodation units within the interim bid.

**Funding Awarded**

On 17th September it was announced that Bristol will receive £1.936m against the £2.174m interim funds bid. The shortfall in funding is being discussed with MHCLG and there is potential for further funding to be awarded through a contingency fund. It is anticipated that the remainder of the costs that were not successful in the bid will either not happen or be offset by savings elsewhere in the service.

The outcome of the capital and longer term revenue funding will not be known until the end of October 2020. Informal communications indicate that the capital grant award will be around £2.9m (for 51 units).

**Cabinet Member / Officer Recommendations:**

That Cabinet:

1. Approve, subject to successful grant award, the acceptance of the grant award from MHCLG Next Steps fund of up to £9.32m
2. Authorise the Executive Director of Growth and Regeneration in consultation with the Cabinet Member for Women, Families and Homes to take all steps required to allocate the funding including the procurement of all contracts (goods, services or works) in accordance with the proposals contained in the report.

**Corporate Strategy alignment:**

1. Key commitment to reduce the overall level of homelessness and rough sleeping, with no-one needing to spend a 'second night out'.

**City Benefits:** In brief the proposal will assist many rough sleepers to access accommodation and support improving their health and reducing the physical and mental health impact of living on the streets.

**Consultation Details:**

1. The proposals included in the bid were developed with the input from the Homelessness sector, Registered Providers and key stakeholders.

**Background Documents:**

<https://www.gov.uk/government/publications/next-steps-accommodation-programme-guidance-and-proposal-templates>

<b>Revenue Cost</b>	<b>£1.936m awaiting MHCLG figures for the longer term revenue figures</b>	<b>Source of Revenue Funding</b>	<b>MHCLG ring fenced grant</b>
<b>Capital Cost</b>	<b>£ TBC</b>	<b>Source of Capital Funding</b>	<b>MHCLG via Homes England</b>
<b>One off cost</b> <input checked="" type="checkbox"/>	<b>Ongoing cost</b> <input checked="" type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

<b>Required information to be completed by Financial/Legal/ICT/ HR partners:</b>
<p><b>1. Finance Advice</b> Bristol City Council has successfully bid for funds from the MHCLG Next Steps Accommodation Programme. £1.936m revenue funding has been awarded and this is ring fenced to the Homelessness and Rough Sleeping services as detailed in the body of this report, to provide move-on accommodation and support for the cohort of individuals who were accommodated as part of the “Everybody In” response to Covid. The grant is for the period from August 2020 to 31<sup>st</sup> March 2021 and will be paid in instalments. The £1.936m forecast cost of move on, is currently included in the current Homelessness and Rough sleeping budget forecast hence this funding will offset these costs.</p> <p>The outcome of the bid for capital is still to be announced, though any successful schemes will need to be delivered by 31<sup>st</sup> March 2021, either by BCC or its partners as per the bid. Any capital funding or longer term revenue funding awarded will enable increased supply of move on accommodation with ongoing support for this cohort of people. If the bids are unsuccessful then the proposed activities will either not happen or have to be reprioritised within partners’ existing budgets. Hence there will be no new cost implications for BCC regardless of the outcome of the bid. However, the risk of a second wave of Covid leading to a further lockdown remains which would lead BCC to incur further as yet unplanned and unfunded expenditure in order to protect rough sleepers.</p>
<p><b>Finance Business Partner:</b> Wendy Welsh, Finance Manager, 20<sup>th</sup> October 2020</p>
<p><b>2. Legal Advice:</b> The proposals may involve the allocation of a mixture of contracts and grants. Any contracts must be awarded in accordance with the Public Contracts Regulations 2015 and the Council’s internal procurement rules. Potential state aid implications will also need to be considered in relation to any grants. The funding should be allocated in accordance with the grant conditions both in terms of the purposes and the method(s) of allocation.</p>
<p><b>Legal Team Leader:</b> Husinara Jones, Solicitor/Team Leader, 20<sup>th</sup> October 2020</p>
<p><b>3. Implications on IT:</b> No anticipated impact to IT Services</p>
<p><b>IT Team Leader:</b> Simon Oliver, 02/10/20</p>
<p><b>4. HR Advice:</b> There are no identifiable HR implications in the report. There may be a need to recruit additional resource at a later stage to provide support for the in-house supported Move On Accommodation process.</p>
<p><b>HR Partner:</b> Celia Williams 5/10/20</p>

<b>Appendix A – Further essential background / detail on the proposal</b> Next steps bid summary	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external to follow</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>YES</b>
<b>Appendix E – Equalities impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b> signed version to follow	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>

<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>
<b>Appendix L – Procurement</b>	<b>NO</b>