

Decision Pathway – Report

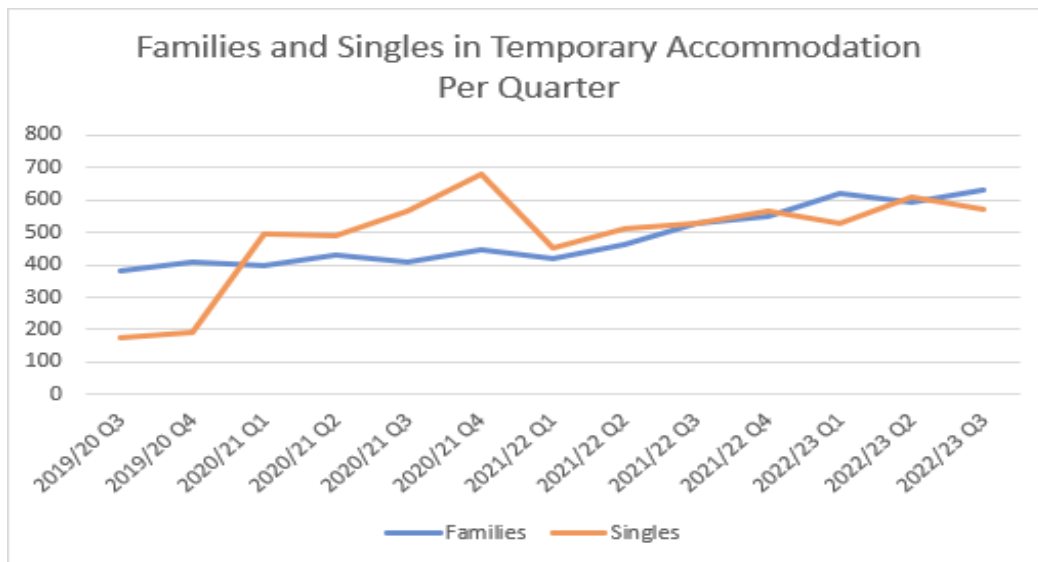
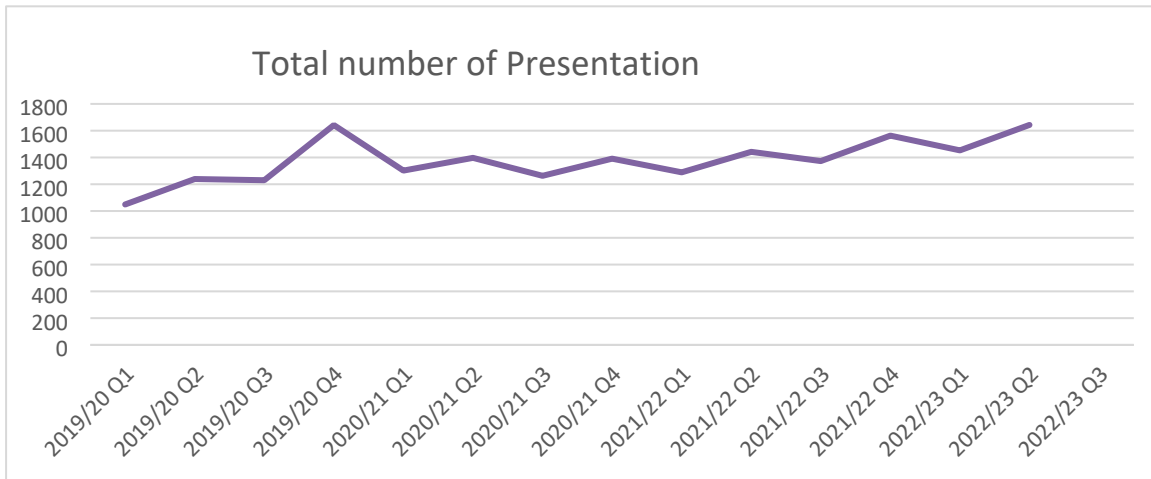


PURPOSE: Key decision

MEETING: Cabinet

DATE: 07 March 2023

TITLE	Homelessness Prevention Grant 2023 to 2025 and accommodation for ex-offenders (AFEO) bid	
Ward(s)	City wide	
Author: Paul Sylvester	Job title: Head of Housing Options	
Cabinet lead: Cllr Tom Renhard, Cabinet Member Housing Delivery and Homes	Executive Director lead: Stephen Peacock, Executive Director Growth and Regeneration	
Proposal origin: BCC Staff		
Decision maker: Cabinet Member Decision forum: Cabinet		
Purpose of Report:		
<ol style="list-style-type: none"> To seek approval to accept and spend Bristol’s Homelessness Prevention Grant allocations (23/24, 24/25) of £3,076,538 and £3,211,501 To seek approval to accept and spend the funding for Bristol’s Accommodation for Ex-Offenders (AFEO) scheme 2023-25 of £538,120 		
Evidence Base:		
<h2>1. Homelessness in Bristol</h2> <p>Bristol has experienced rising rates of homelessness. Since the pandemic we have seen a 25% increase in households (average of 510 households a month) approaching Bristol City Council because of homelessness related issues. The number of households in temporary accommodation (TA) is 87% higher than before the pandemic.</p> <p>During the pandemic and “Everyone in” the number of single people accommodated increased significantly, which is shown in the graph below. Family homelessness has increased since the end of lockdowns and protections like the eviction ban. The cost of living crisis and continuing challenges around affordability of both home ownership and private renting are contributing to high level of homelessness presentations</p> <p>The increase in Temporary Accommodation placements has created a £5m financial pressure for the Council</p> <p>The prevention grant interventions align with services funded by the Council and through other grant funding like the rough sleeping initiative (RSI). The prevention grant is used to:</p> <ul style="list-style-type: none"> Pay for additional resources to work with an increasing number of households that are homeless and to carry out the enhanced duties of the Homelessness Reduction Act 2017, with the aim of preventing homelessness and reducing TA. Pay for initiatives that increase access to affordable housing. Pay for higher quality and cost-effective supported housing as an alternative to expensive TA. Directly cover some costs of TA (Housing Benefit subsidy loss). <p>Prevention grant expenditure will be monitored closely and during the 2 year period it may be necessary to adjust expenditure between the different initiatives, whilst remaining within the budget envelope, to address changes in demand and financial pressures.</p>		



2. Homelessness Prevention Grant

2.1 Background

The Homelessness Prevention Grant was created in 20/21 by combining two government grants, the Flexible Homelessness Support grant and the Homelessness Reduction (New Burdens) grant, both of which have been in place since 2017. The grant is allocated to Local Authorities based on a published methodology; no bidding is required.

Government recently consulted on changing the methodology for the Homelessness Prevention Grant for 2023/24 onwards. The allocations for 2023/24 and 2024/25 have been made using a new formula to allocate the funding. However, the transitional arrangements to limit large changes in funding have been enhanced. Increases in funding have been limited so that no authority will see a cash loss in their allocation when compared to their core allocation for 2022/23.

Government response to the consultation can be found at [Homelessness Prevention Grant 2023/24 onwards: government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/homelessness-prevention-grant-2023-24-onwards)

The Homelessness Prevention Grant is ringfenced to ensure local authorities can focus on preventing homelessness as well as funding the provision of temporary accommodation, and to continue to embed the changes required through implementation of the Homelessness Reduction Act.

The purpose of the Homelessness Prevention Grant is to give local authorities control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness.

Further information on how the grant is calculated can be found at [Homelessness Prevention Grant 2023 to 2025: technical note - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/homelessness-prevention-grant-2023-to-2025-technical-note)

2.2 Allocation for 23/24 and 24/25 and Government expectations

	Homelessness Prevention Grant 2022-23	Homelessness Prevention Grant - total allocation for 2023-24 (£322.8m)	Homelessness Prevention Grant - total allocation for 2024-25 (£331.3m)
Bristol	£2,968,338	£3,076,538	£3,211,501
% Increase	N/A	£108,200 (3.6%)	£134,963 (4.4%)

Bristol continues to receive the fifth highest allocation of funding outside of London, after Birmingham, Manchester, Luton and Brighton.

The full list of awards can be found at [Homelessness Prevention Grant 2023 to 2025 allocations.ods \(live.com\)](https://www.gov.uk/government/consultations/homelessness-prevention-grant-2023-to-2025-allocations)

DLUCH expect local authorities to use the grant to deliver the following priorities:

- Embed the Homelessness Reduction Act and contribute to ending rough sleeping by increasing activity to prevent single homelessness.
- Reduce the number of families in temporary accommodation by maximising family homelessness prevention.
- Reduce the use of bed and breakfast accommodation for families and eliminate family B&B placements beyond the statutory six-week limit.

There are two new grant conditions:

- A requirement to provide a spend declaration stating how much Homelessness Prevention Grant funding was spent across specific interventions.
- The requirement for LAs to submit accurate Homelessness Case Level Information Collection (H-CLIC) data, including full data on temporary accommodation numbers. DLUHC retain the right to claw back up to 10% of funding where this condition has not been met without good cause.

2.3 Homelessness Prevention Grant – future plans

Government recognises that there are further elements that can be tested. They will continue to review the formula, including considering whether there are additional datasets and metrics that could be incorporated into the formula to reflect further relative pressures and affordability. They will also use the information gathered through the new grant conditions to provide a spend declaration to inform future plans. They will update the formula before allocations for 2025/26 are set.

3. Planned expenditure

Prevention Grant – high level anticipated expenditure

	23/24 £000's	24/25 £000's
Contribution to Housing Benefit subsidy loss	1,300.0	1,300.0
Employee Costs	1,127	1,160
Accessing Private rented accommodation and sustaining tenancies	331.28	429.54
Additional family supported housing - support costs	142.0	142.0
Call centre (Homelessness Prevention Team)	124.72	128.46
Real Lettings	20.0	20.0
Roof over my head contribution	15.0	15.0
Home finder (nationwide social housing letting service - annual fee)	16.0	16.0
Total cost	3,076	3,211

3.1 Contribution to Housing Benefit subsidy loss

Housing Benefit subsidy loss has risen to £10.4m p/a due to the increase of households in TA.

Whilst there are longer term plans to change the provision of TA using different models that don't attract the same level of subsidy loss, it is necessary to use £1.3m of grant to contribute to TA costs

3.2 Employee costs

Additional posts have been created over the last 5 years. All posts are on permanent contracts. There is a high turnover within these posts, which means that we can respond to any potential reduction in grant funding by holding vacancies. The number of posts has reduced from 25.5 FTE in 22/23 to 23.5 FTE in 24/25

Posts	FTE No.	Grade	Total cost	Inflated 23/24 5%	Inflated 24/25 3%
Various	23.5	BG9 – BG13	£1,072,994	1,126,643	1,160,442

Activities

- Support clients in TA to improve move on and reduce the length of time in TA by removing barriers for example arrears and other debts
- Work with specific client groups - prison leavers, hospital discharge and early intervention on family exclusion
- Additional resource to manage the increase in homelessness presentations
- Co-ordinate an increase in supported housing placements, effective prioritisation of clients out of TA and rough sleeping
- Manage increase in Housing Register applications, effective prioritisation of urgent cases to avoid homelessness
- Provide welfare benefits and related housing/homelessness advice to people at risk of homelessness and the agencies working with them to prevent homelessness and/or enable move on to sustainable housing.

- Provide expert welfare benefits advice to people at risk of homelessness and the agencies working with them, including representation at social security tribunals and the delivery of a range of welfare benefits training packages for BCC staff and partner agencies.
- Increase the supply of affordable move on accommodation for single homeless clients
- Respond to an increase in statutory reviews
- Ensure staff are fully equipped and trained in the requirements of the HRA and fully compliant with the legislation.

3.3 Accessing Private Rented accommodation and sustaining tenancies

There isn't enough social housing to meet the needs of households that are homeless. The number of social housing lettings per year has reduced by 50% in the last decade. The private rented sector accounts for over 30% of properties in Bristol. The market is very buoyant with only 1-2% of properties let at or below the Local Housing Allowance (LHA). Current snapshot of the market indicates an average of rents based on the median being £542 above LHA. The need to be able to provide six months rent in advance or a guarantor has increased due to financial instability within the economy. Prevention grant funding is used to support households in moving into an affordable private rented tenancy. This can be through support with rent in advance or deposits or one-off incentive payments to private landlords to keep rents at the LHA and affordable.

The grant is also used to prevent homelessness by sustaining private rented tenancies through one off interventions. A common example is clearing rent arrears through the provision of an interest free loan.

Preventing homelessness with private landlords also means support and incentives when tenancies come to the end of their fixed term period as the market moves forward and rents increase. The need for landlords to increase rents to meet higher mortgage rents and expenses means guidance and support is more important than ever to assist in keeping tenants who are at LHA rates in their properties to avoid presentations as homeless.

Any payments to landlords are made on the condition that:

- Landlord will issue a minimum of a 12-month Assured Shorthold Tenancy
- The tenancy is affordable and sustainable
- Confirmation that the property is in good condition
- The landlord is a 'fit and proper person'. Checks are made with the Private Housing Service

Since 1st April 2022, Housing Options have enabled 153 households to move into private rented accommodation.

3.4 Additional family supported housing - support costs

Family supported housing managed by Registered Providers is a cost effective alternative to unsupported privately managed Temporary Accommodation and clients benefit from receiving support.

The only costs to BCC are those of commissioning. This type of provision attracts no Housing Benefit subsidy loss. Support costs are approximately £3k per unit per year, compared to the average net family TA cost of £15k per year.

£142k p/a of prevention grant pays for support to 49 units of accommodation. This was approved at Cabinet on 5/2/19 [Decision Pathway Cabinet Report Family Supported Mayor Office Final.pdf \(bristol.gov.uk\)](#) .

During the last 9 months, the services have successfully supported 36 families to move into a permanent accommodation and have 30 new placements into their services from our expensive Temporary Accommodation

Further to this Cabinet approved, on 2/11/21, [Decision Pathway Report final draft.pdf \(bristol.gov.uk\)](#) the addition of up to a further 100 properties to the Family Supported Accommodation Framework. The funding for the support will come from the Prevention grant on a spend to save basis, reducing the subsidy loss.

3.5 Call centre (Homelessness Prevention Team)

The corporate contact centre (CSC) has been handling homelessness related telephone enquiries since November 2019. On average the CSC handles approximately 1,925 calls per month.

The CSC advisors are cross skilled across a range of services including Home Choice Bristol, Care Direct and are able to provide a holistic wrap around service to citizens. The advisors assist with enquiries, offer solutions and may arrange additional support to prevent citizens from becoming homeless, this may also include advising the citizen how they can apply for universal credit or other benefits such as the Local Crisis Prevention Fund. The CSC advisors work very closely with the CSP and are able to liaise on issues such as non-payment of housing benefits, the CSP advisors are then able to make enquiries and follow through on any further action required for the citizen.

The charge from HPT pays for 3 FTE advisors and part of a team leader. The move has improved the call handling performance and customer experience as well as freeing Housing Advisors from general enquiries allowing them to focus on caseload.

Regular point of contact meetings are held between Housing Options and Citizen Services to ensure on-going issues or concerns as well as themes are discussed and action taken in a timely fashion. The overall experience for citizens has been positive since the CSC started taking Homelessness calls.

3.6 Real Lettings

In 2015 Bristol City Council entered a property acquisition scheme with Resonance, a social investor, see cabinet paper [1103_7.pdf \(bristol.gov.uk\)](#)

Bristol City Council has 100% nomination rights to 99 properties (held by the fund) through the NHPF1 [National Homelessness Property Fund - Resonance](#) and NHPF 2 [National Homelessness Property 2 fund - Resonance](#). All properties have rent set at Local Housing Allowance (LHA) and are managed by local organisation Delivering Health and Independence (DHI). The properties are medium term move on accommodation and DHI provide support to move on to other private rented accommodation, as well as housing management.

Part of the agreement is that BCC pays a £2,750 placement fee for every successful nomination. This is the only cost to BCC and is far cheaper than a TA placement.

There were 20 new placements so far in 22/23, giving an average tenancy length between 4 and 5 years.

3.7 Roof over my head contribution

Roof over my head is a tenancy preparedness course for clients who are homeless, many in TA. It provides clients with the knowledge and skills needed to manage and sustain a tenancy with the aim of preventing future homelessness. The key areas of learning are:

- Understanding housing options in Bristol, including how to access private rented.
- Rights and responsibilities as a tenant.
- Being a good neighbour and managing conflict.
- Support with maximising income, benefit entitlement

Approximately 200 learners a year complete the course. The course is managed and co-ordinated by colleagues in employment and skills who make good use of drawing down government funding to support course delivery. The £15k contribution from Housing Options helps to bridge the gap between the costs of the course and available government funding.

3.8 Home finder (nationwide social housing letting service - annual license fee)

Home finder [Homefinder UK | Homefinder](#) is an on-line service that matches clients to low demand social housing in other parts of England, Wales, and Scotland. Through this scheme we move an average of 5 households a year, or £3.2k per household, which represents a saving compared to the cost of an average placement in TA of £15k. This is a great option for clients who have friends and family in other parts of the UK.

3.9 Domestic abuse new duties funding –

Bristol have always taken a progressive approach to supporting clients who are homeless due to domestic abuse, agreeing priority need before legislation made it a legal requirement.

A small element of the Homelessness Prevention Grant is for domestic abuse new duties. This funding, £56,050 per annum, will contribute 17% of the overall cost of our Respite Rooms provision. This service offers 10 units of emergency accommodation with staff on site 24 hours a day and support for women who need more specialised, trauma and gender informed support than is available in our alternative homelessness pathway and for whom other refuge provision may not be appropriate. In the last Quarter, of the thirteen women (15%) who left respite rooms only two had a duty accepted by BCC and were placed into TA. The average length of stay at the Respite Rooms is between 6-8 weeks.

Bristol was granted £350,000 by the DHLUC in July 2021 to pilot a 12-month trial offering safe accommodation with intensive support to victims of domestic abuse and violence.

It has included a wide range of input from city agencies, offering help with issues such as substance misuse, benefits and financial independence, immigration, sex working, mental health, forced marriage, sexual violence and provide ongoing community support. The project offers women short-term assistance to ensure they get the support they need, in advance of further guidance to help them towards longer-term solutions for their personal needs.

Towards the end of the 12 month pilot, DLUHC announced a 6 month extension to the pilot and asked areas that if they felt the scheme was a success to apply for further funding through the Rough Sleeper Initiative (RSI), but to provide match funding from housing and public health. Bristol City Council did want to continue as we knew this project addressed a need in the city and a successful bid was submitted in partnership between the departments, with funding made available from those teams to continue the work for a further 2 and a half years (until March 2025).

The last few years has led to not only an increase in the reporting of domestic abuse, but also an increase in the complexity of cases and, in some cases, they need more care and support than traditional services can offer. Next Link, our main provider of domestic abuse services, experienced a 32 per cent increase in their caseload in the year from 1 April 2020 - 31 March 2021. One25 (our specialist Street Sex Worker support service) are reporting that 82 per cent more of the women that they worked with reported violence.

MARAC (Multi-Agency Risk Assessment Conferences) referrals are increasingly being made for a cohort of women who experience multiple overlapping risk factors and for whom traditional services are no longer enough

The work also meets a number of the recommendations made through the Mayoral Commission on Domestic Abuse ([Mayoral Commission on Domestic Abuse \(bristol.gov.uk\)](#)) and requirements of the Domestic Abuse Act 2021 ([Domestic Abuse Act 2021 \(legislation.gov.uk\)](#)). Funding is also being provided by the Bristol Public Health team for the Domestic Abuse support element. This is using the New Burden's funding (Domestic Abuse Act 2021) and this part has been commissioned in line with statutory duties of the Act.

The project has also been recognised as good practice both locally from the Police and Crime Commissioner ([PCC finds out more about Respite Rooms Trial | OPCC for Avon and Somerset \(avonandsomerset-pcc.gov.uk\)](#)) and nationally, with a visit from the Domestic Abuse Commissioner for England and Wales.

4. Accommodation for Ex-Offenders (AFEO) funding

BCC successfully applied to be an AFEO pilot area in 2021, securing funding for a new project to help ex-offenders who have been in prison in the last 12 months move into private-rented tenancies. People are supported to identify accommodation, engage with landlords, move into accommodation and sustain their accommodation. The project uses funded landlord incentives, rent top up and rent in advance to remove barriers to new tenancies.

In 2021-22 the BCC project was one of most successful AFEO pilot areas, delivering 40 new tenancies against a target of 30. This period included a funding extension to allow for the initial full 12 months and has since been extended for a further six months to March 2023. Bristol has been the most successful pilot area and DLUHC have been keen to learn from our approach to share with other areas.

Bristol was invited to submit a further bid for this project on 18th November 2022 for the period 2023 to 2025. A bid was submitted by the deadline for £605,365 with approval to submit sought from the Executive Director, Section 151 Officer and the Deputy Mayor. On 29th December we were notified that we had been awarded £538,120.

Cabinet Member / Officer Recommendations:

That Cabinet:

1. Notes the Homelessness Prevention Grant allocations of £3,076,538 for 23/24 and £3,211,501 for 24/25.
2. Note the submission of a bid for funding to the Accommodation for Ex-Offenders scheme (AFEO) and the subsequent award of £538,120 for 2023-25.
3. Authorise the Executive Director of Growth and Regeneration in consultation with Cabinet Member Housing Delivery and Homes to enter into a grant agreement/Memorandum of Understanding to accept and spend the AFEO funding of £538,120.
4. Authorise the Executive Director – Growth and Regeneration, in consultation with the Cabinet Member for Housing Delivery and Homes to take all steps required to spend the Homelessness Prevention Grant allocations for 23/24 and 24/25 and AFEO 23-25 funding as outlined in the report, including procuring and awarding contracts (which may be over £500k) in line with the procurement routes and maximum budget envelopes set out in this report.
5. Authorise the Executive Director – Growth and Regeneration to invoke any subsequent extensions/variations specifically defined in the contract(s) being awarded, up to the maximum budget envelope outlined in this report.
6. Authorise the Executive Director – Growth and Regeneration in consultation with the Cabinet Member for Housing Delivery and Homes to take all steps required to amend the planned expenditure for the grants within the overall budget envelope set out in the report.

Corporate Strategy alignment:

The recommendations in the report clearly link to the corporate strategy aims:

- Key commitment to reduce the overall level of homelessness and rough sleeping.
- Reduce the number of households in temporary accommodation.
- Domestic abuse is also a particular focus. The recent Mayoral Commission on Domestic Abuse includes 35 recommendations that the city will take forward, moving us towards becoming a safer, kinder place where victims and survivors of domestic violence and abuse feel supported and empowered to move forward and build new lives.

City Benefits:

Stable housing is intrinsically tied to how well people can focus on other needs or difficulties in their lives and participate within their communities. This proposal will have a positive impact on both the households who are supported and the communities they live in.

Consultation Details N/A

Background Documents:

- [Homelessness Prevention Grant 2023/24 onwards: government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/homelessness-prevention-grant-2023-24-onwards)
- [Homelessness Prevention Grant 2023 to 2025: technical note - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/homelessness-prevention-grant-2023-to-2025-technical-note)

Revenue Cost	£3.07m (23/24) £3.21m (24/25)	Source of Revenue Funding	Homelessness Prevention Grant 15156
Capital Cost	£0	Source of Capital Funding	n/a
One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice:

There are multiple complex funding streams supporting the work of the housing team particularly regarding homeless prevention. Bristol City Council has received confirmed Homelessness Prevention Grant allocation for two years 2023/24 and 2024/25 of £3,076,538 and £3,211,501 respectively. Overall, the council continues to be successful in grant applications to DLUHC for homelessness spend, however the short-term annual funding has made it difficult to plan.

Cabinet is asked to note the proposals in section 3 of this report, which sets out how the Homelessness Prevention Grant allocation will be committed over the next two financial years. The proposed spending is aimed at addressing the expectations set out by DLUHC as outlined in section 2.2.

In addition, cabinet is asked to note the Accommodation for Ex-Offenders (AFEO) funding of £538,120 and authorise the Executive Director – Growth and Regeneration, in consultation with the Cabinet Member for Housing Delivery and Homes to spend the funding as outlined in the report.

The expenditure proposed above are estimates, and changes will be reported through the monthly budget monitoring process.

Finance Business Partner: Archa Campbell, Finance Business Partner, 2 February 2023

2. Legal Advice: The details outlined in the report for expenditure of the grant funding are all either compliant with the Public Contracts Regulations 2015 (contracts) or are permitted under the subsidy control regime (grants). Ongoing legal support will be provided, as required, in relation to the expenditure of this grant.

Legal Team Leader: Husinara Jones, Team Manager/Solicitor 26 January 2023

3. Implications on IT: I can see no implications on IT in regard to this activity.

IT Team Leader: Alex Simpson – Senior Solution Architect 30 January 2023

4. HR Advice: The Prevention Grant funds posts to work with households that are homeless, and to carry out the enhanced duties of the Homelessness Reduction Act. There is high turnover in these posts, and the recruitment difficulties were more acute when the posts were advertised as 12-month fixed term contracts. The posts are filled on permanent employment contracts, given the longevity of the programme and the entitlement in law for employees on fixed term contracts not to be treated less favourably. Should the grant allocation be reduced in the future there would be a potential impact on posts in the team, in which case the council would be liable for the cost of any redundancy payments. Due to the high turnover of staff in these roles the service has the flexibility to hold vacancies. Any recruitment will be subject to Director approval. The Council now has certainty on its grant award for the next two years which puts the Council in a better position regarding planning.

HR Partner: Celia Williams, HR Business Partner, 9 February 2023

EDM Sign-off	Stephen Peacock	04 January 2023
Cabinet Member sign-off	Cllr Renhard, Cabinet Member Housing Delivery and Homes	10 January 2023
For Key Decisions - Mayor's Office sign-off	Mayor's Office	6 February 2023

Appendix A – Further essential background / detail on the proposal	NO
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Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	YES
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal There are no environmental impacts linked to this report and as such a full Eco IA is not required. There may be effects with the increase in family supported accommodation, this was approved at Cabinet on 2/11/21 and will have an Eco IA linked to it. Nicola Hares, Environmental Project Manager 7th February 2023	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	No
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO