

# Decision Pathway – Report



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 03 October 2023

<b>TITLE</b>	<b>Homelessness Prevention Grant Homes for Ukraine top-up 23/24</b>		
<b>Ward(s)</b>	City Wide		
<b>Author:</b> Paul Sylvester	<b>Job title:</b> Head of Housing Options		
<b>Cabinet lead:</b> Cllr Tom Renhard, Cabinet Member for Housing Delivery and Homes; Cllr Helen Holland, Cabinet Member for Adult Social Care and Integrated Care System	<b>Executive Director lead:</b> John Smith, Interim Executive Director Growth and Regeneration		
<b>Proposal origin:</b> BCC Staff			
<b>Decision maker:</b> Cabinet Member			
<b>Decision forum:</b> Cabinet			
<b>Purpose of Report</b>			
1. To seek approval to accept and spend Bristol’s Homelessness Prevention Grant Homes for Ukraine top-up 2023/24 of £985,533.			
<b>Evidence Base:</b>			
<p><b>1. Background</b></p> <p><b>1.1. Homes for Ukraine</b></p> <p>The Homes for Ukraine scheme was launched on 14 March 2022 by the Secretary of State for Levelling Up, Housing and Communities. The scheme is open to Ukrainian nationals who were resident in Ukraine prior to 1 January 2022; and to their immediate family members.</p> <p>An approved Sponsor can enable a visa for a person in Ukraine to enter the UK. Most Sponsors become hosts as they open their homes up to provide rooms and shared facilities; and sponsors also help to enable alternative accommodation, including self-contained homes.</p> <p>Bristol Homes for Ukraine programme upholds the principles behind Bristol’s status as City of Sanctuary, providing welcome and safety; and contributes to the Refugee Resettlement Team vision:  <i>‘For Bristol to be a place where refugees are welcomed and included, feel safe, live free of poverty, and have their rights and entitlements respected. For Bristol to be a place where refugees can positively rebuild their lives and given opportunities to develop and share their talents.’</i></p> <p><b>1.2. Homelessness Prevention Grant top up</b></p> <p>On the 1 August 2023 the government announced a £109 million Homelessness Prevention Grant Homes for Ukraine top-up, which is ring-fenced for 2023/2024. The purpose of this payment is to maximise supporting the Ukrainian cohort into sustainable accommodation, for example through access to the private rented sector, employment support or facilitating ongoing sponsorship for guests’ second years in the UK. This funding may also be</p>			

used to support wider homelessness pressures.

The government acknowledges that Local authorities are best placed to understand the support needed for local communities and therefore this funding may also be used to support other people at risk of homelessness in line with local pressures.

The grant is ringfenced for 2023/24 and must be spent in line with the Homelessness Prevention Grant principles:

- To comply fully with the Homelessness Reduction Act and contribute to ending rough sleeping by increasing activity to prevent single homelessness.
- To ensure financial viability of services by contributing to the costs of statutory duties, including implementing the Homelessness Reduction Act and supporting with the costs of temporary accommodation.
- To reduce family temporary accommodation numbers through maximising family homelessness prevention and reduce the use of unsuitable B&Bs for families.

## 2. Current situation

### 2.1. Homes for Ukraine

Since March 2022 816 people, including 217 children, in 510 households, have arrived in Bristol under the Homes for Ukraine programme.

There are a further 187 applications with pending and issued visas showing on the government case management system. This reflects the continuing need for people to escape the war in Ukraine.

Out of the 816 arrivals (correct at 4<sup>th</sup> September 2023)

- 296 people remain in host-guest arrangements in Bristol (210 households);
- 268 people have moved into rented accommodation in Bristol with Homes for Ukraine support (116 households);
- 28 people have made their own arrangements (18 households)
- 10 people in Temporary Accommodation (4 households);
- 17 people have moved into rented accommodation outside Bristol with Homes for Ukraine support (8 households)
- 197 people have left Bristol (133 left UK 62 moved to another LA)

The Homes for Ukraine Team have supported 116 people into private rented sector tenancies and the focus on the team from September 2023, is to find private rented sector accommodation for the remaining 210 households who are still living with host families.

The Government (DHLUC) allocated funding for Homes for Ukraine to support Ukrainian people on the scheme for 12 months from their arrival in the UK, and this budget is allocated to implement the Move On Policy to meet housing needs into years 2 and 3.

### Homes for Ukraine funding which is already allocated to prevent homelessness.

	<b>Spend March 22- August 2023</b>	<b>Allocated budget. from Sept 23</b>
Additional thank you payments to hosts to sustain host arrangements	£733,478	£364,800
Voluntary and third sector support for hosts and guests	£291,548	£87,480
Employment, English classes and other integration costs	£271,842	£238,234
Bonds, deposits, advance rents, assistance into the private rental sector for 116 tenancies to date	£1,164,458	
Bonds, deposits, advance rents, assistance into the private rental sector		£2,573,915

for move on for 210 households from host arrangements		
Homes for Ukraine staff team	£398,517	£293,278
Total	£2,859,843	£3,557,707

## 2.2. Homelessness pressures in Bristol

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.

As of 31<sup>st</sup> August 2023, there were 1348 households in TA, increasing from 1273 as at 31<sup>st</sup> March 2023.

During the pandemic and “Everyone in” the number of single people accommodated increased significantly. 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.

Through the Council’s Temporary Accommodation programme, we are focussed on reducing the costs of TA to the authority, however with increasing demand there remains a significant pressure on Council finances.

## 3. Proposals for Homelessness Prevention Grant – Home for Ukraine grant

We are proposing that the grant is split between initiatives to prevent homelessness of the Ukrainian cohort and meeting wider homelessness pressures in Bristol. In developing the initiatives, we have considered the risks of homelessness for the Ukrainian cohort alongside the current Homelessness Prevention Grant 23-25 initiatives and the wider homelessness pressures.

Proposed initiative	HPG grant allocation
Preventing homelessness and securing accommodation for Ukrainian cohort <ul style="list-style-type: none"> <li>- Sustain accommodation.</li> <li>- Source additional housing</li> <li>- Marketing campaign and staffing</li> <li>- Using Council assets and bringing empty properties back into use</li> </ul>	<b>£450,000 (maximum)</b>  £100,000 £140,000 £76,000 £134,000
Meeting wider homelessness pressures in Bristol, including the cost of TA for Ukrainian households and others, preventing homelessness, and accessing private rented accommodation. These work areas were set out in March cabinet paper for Homelessness Prevention Grant 23- 25	<b>£535,533 (minimum)</b>
	<b>£985,533</b>

Any underspend against specific initiatives for Homes for Ukraine clients may be used to support another of the initiatives listed below or go towards meeting wider homelessness pressures.

These proposals have been developed through joint working between the Housing Options service and the Refugee resettlement team. They are supported by both Adults & Communities and Growth & Regeneration directors. Expenditure will be reported to both executive director meetings.

### 3.1. Supporting households to sustain accommodation and increasing supply of alternative private rented accommodation.

The Homes for Ukraine team have successfully:

- provided effective support to 116 households to secure accommodation and minimise the number of placements into Temporary Accommodation. For those households that have gone into TA the team have continued to work with them to find move on accommodation into the private rented sector.
- Focussed on upstream preventative work including, including ESOL, employment, community integration and relationship building, all helping to mitigate the risk of homelessness.

The Move-on policy developed by the Homes for Ukraine team provides guidance, tools, and resources for guests to move-on to rented accommodation. We have identified the need to expand the policy to include:

### **3.1.1. Support to households to sustain existing tenancies.**

The Homes for Ukraine team have built relationships with both households and landlords and are in the best position to negotiate interventions to sustain tenancies. This could include paying rent top ups and covering some rent arrears (if the placement is sustainable in the long term). The Housing Options service are experienced in preventing homelessness and will work alongside the team to ensure we maximise tenancy sustainment.

**Proposal:** Establish a preventing homelessness fund of £100,000

### **3.1.2. Support to households in finding alternative accommodation in the private rented sector (second move on)**

The Bristol Homes for Ukraine team continues to support tenants in Bristol progress with employment and develop capabilities to sustain their tenancies, but there is a need to mitigate the risk of homelessness after an initial AST term within two years of arriving in the UK, by developing the Move-on policy to include further resources for a second move-on.

This would require access to further landlord incentives to join the HFU schemes and make tenancies available for those already in the PRS where the initial tenancy ends despite our support and interventions.

An initial £1.164M has been spent supporting households into rented accommodation. It is less likely the remaining groups in host-guest arrangements will return to Ukraine before needing to move-on, due to the ongoing conflict. Therefore, we need to invest in securing additional private rented accommodation for first move on (out of host placement) and second move on (from initial private rented property into another private rented property). We need to bear in mind that we are not working with a static position and that there are new arrivals every month with 119 households with pending and issued visas.

**Proposal:** Allocate £140,000 to increase the supply of private rented properties

### **3.2. Campaign to increase the number of hosts.**

The Move-on policy also has provision to rematch guests with alternative hosts. The pool of available hosts has significantly reduced, which will put more pressure on the other options including temporary accommodation. Suitable alternative hosts for rematching is a more appropriate option for many of the cohort, especially single people under 35 due to Universal Credit rules for claiming accommodation costs.

We plan to work collaboratively with an existing partner, Refugee Welcome Homes, and the wider advice sector in Bristol to design and deliver a wide ranging campaign to recruit more hosts. Our vision is to expand the lodger scheme to all refugees.

Refugee Welcome Homes would lead the campaign, and so would require dedicated capacity to do so, which would be 1 full time officer. Refugee Welcome Homes already work closely with Bristol Homes for Ukraine, and have the in-house knowledge and skills, including cultural awareness and market knowledge, to be able to expand on our existing piece of work.

**Proposal:** £40k for campaign and £36k for additional staffing

### **3.3. Converting Council assets and bringing empty homes back into use**

There are two strands to this work:

#### **3.3.1. Developing an initiative to convert Council assets that would otherwise be disposed of and lease them to Registered providers (RPs).**

The initiative needs to be developed. The idea is that properties will be refurbished by the Council and then leased to RPs who will then offer assured shorthold tenancies to households that we nominate. BCC will have 100% nomination rights.

#### **3.3.2. Bring empty privately owned properties back in to use as residential accommodation.**

The Refugee Resettlement Team has worked closely with the Empty Homes Unit, and established an information sharing agreement, which provides access to details of all empty homes, including the 1428 privately owned homes that have been empty more than 6 months.

An Empty Homes initiative will support owners to bring their homes back into use. In return BCC will have 100% nomination rights for Homes for Ukraine cohort to begin with, and then extend to wider refugee resettlement need.

#### **Loan funding with nomination rights for empty properties**

The proposed empty property loan incentive would be managed by the Homes for Ukraine Team who could use their successful model of renovating empty properties and managing letting properties to refugees. There will be an administration cost to promoting, overseeing the works, loan assessments, title restriction registration with the land registry etc.

Noted in the proposal: In return BCC will have 100% nomination rights for Homes for Ukraine cohort to begin with and then extend to wider refugee resettlement need. In addition to our existing empty property loan conditions and financial assistance policy nomination rights for a minimum of 5 years will be required providing units for the Homes for Ukraine Team or wider Refugee Resettlement Team'. The loan product will be recyclable in long term to be reused again once the loan is repaid.

In addition to nomination rights being required the following current empty property loan conditions could be added:

- If the letting option is selected, then the property must be let for a minimum period of 5 years and the landlord will be required to complete a Fit and Proper Person declaration and meet the relevant criteria.
- Owners must have sufficient equity in their property to cover the loan.
- All appropriate planning permission must be obtained prior to approval of the loan.
- A condition of the loan is that a Title Restriction will be made with District Land Registry.
- For loans to Landlords a District Land Registry charge is registered against the property.
- If a property is sold or changes hands, all outstanding loan balances must be repaid in full.
- Owners who have debts with council departments which are being actively pursued are not be eligible for assistance whilst the debt is still outstanding

**PROPOSAL:** £134k would be allocated to this initiative

#### **Cabinet Member Recommendations:**

That Cabinet:

1. Notes the Homelessness Prevention Grant Homes for Ukraine top-up 23/24 allocation of £985,533
2. Authorise the Executive Director – Growth and Regeneration and Executive Director Adults and Communities, in consultation with the Cabinet Member for Housing Delivery and Homes and Cabinet Member for Adult Social Care and Integrated Care System to take all steps required to accept and spend the Homelessness Prevention Grant allocation 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.
3. Authorise the Executive Director – Growth and Regeneration and Executive Director Adults and Communities in consultation with the Cabinet Member for Housing Delivery and Homes and Cabinet Member for Adult Social Care and Integrated Care System to invoke any subsequent extensions/variations specifically defined in the contract(s) being awarded, up to the maximum budget envelope outlined in this report.
4. Authorise the Executive Director – Growth and Regeneration and Executive Director Adults and Communities in consultation with the Cabinet Member for Housing Delivery and Homes and Cabinet Member for Adult Social Care and Integrated Care System 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 Bristol City Council Corporate Strategy 2022- 2027 Theme 5, Our Homes and Communities Priorities has a priority on reducing and preventing homelessness and within Housing Supply Section includes to ‘make sure empty properties in that sector are brought back in to use.’
- Bristol City Council Business Plan 2018-2023 - Housing Supply- to make best use of housing supply from existing stock - KPI 2: Increase the number of private sector dwellings returned into occupation

**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:**

[Homes for Ukraine](#)

[Homelessness Prevention Grant: Homes for Ukraine scheme support](#)

<b>Revenue Cost</b>	£985,553	<b>Source of Revenue Funding</b>	Homelessness Prevention Grant
<b>Capital Cost</b>	£0	<b>Source of Capital Funding</b>	N/A
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

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

**1. Finance Advice:** The Temporary Accommodation budget has seen large increases in spend in recent years and as such the additional £986k HPG is a welcome additional resource to help alleviate some of this pressure.

The additional grant funding received can be utilised to relieve some of this pressure, specifically in relation to Ukrainian refugees, but also the wider homelessness issues currently facing BCC.

The proposals detailed above, funded by the additional grant, are aimed at reducing the current level of TA (which currently costs BCC circa £12.9k per annum per unit through subsidy loss), and avoiding future additional costs.

The proposal to capitalise a loan fund in order to facilitate bringing back long term empty homes would result in a fund in perpetuity, managed by an external organisation. There are no underwriting or other liabilities to BCC in relation to this. Appropriate due diligence would need to be performed on this external organisation before any funds are handed over. Any contracts/agreements would need to be reviewed by Legal before any commitment is

made.		
<b>Finance Business Partner:</b> Martin Johnson – Interim Finance Manager Housing Services – 21 September 2023		
<b>2. Legal Advice:</b> The procurement process must be conducted in line with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the conduct of the procurement process and the resulting contractual arrangements.		
<b>Legal Team Leader:</b> Husinara Jones, Team Manager/Solicitor 11 September 2023		
<b>3. Implications on IT:</b> I can see no implications on IT in regard to this activity		
<b>IT Team Leader:</b> Alex Simpson – Lead Enterprise Architect 11 September		
<b>4. HR Advice:</b> There are no HR implications evident		
<b>HR Partner:</b> Celia Williams, HR Business Partner – Growth and Regeneration 11 September 2023		
<b>EDM Sign-off</b>	John Smith Interim Executive Director Growth & Regeneration	11 September 2023
<b>Cabinet Member sign-off</b>	Cllr Tom Renhard, Cabinet member for Housing Delivery and Homes	15 August 2023
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	4 September 2023

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>NO</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>YES</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>