

SUBJECT:	ROUGH SLEEPING ACCOMMODATION PROGRAMME
DIRECTORATE:	HOUSING AND INVESTMENT
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1. Purpose of Report

- 1.1 To provide an update on the delivery of round one of the Rough Sleeping Accommodation Programme (RSAP) and to recommend the acceptance of further capital and associated revenue funding to deliver round two of the Programme.

2. Background

- 2.1 On 18 July 2020 the Ministry of Housing, Communities and Local Government (MHCLG) launched the Next Steps Accommodation Programme (NSAP). A key element of this programme was the provision of capital and revenue funding to facilitate move-on accommodation for rough sleepers who were being housed in emergency temporary accommodation following the “Everyone In” Initiative. City of Lincoln Council submitted a capital and revenue funding bid and since 22 December 2020 has been under contract to deliver 15 no. units of dispersed accommodation using a purchase and repair model. 8 no. dwellings have been practically completed, with the remaining 7 no. due to practically complete by the end of August 2021. The anticipated total capital scheme cost is £1.6m, which includes grant of £0.8m, this is slightly above the initial estimated total scheme cost of £1.5m but is within a 7% threshold. The main reason for the increase in costs has been due to the lack of suitable one-bedroom dwellings; seven of the 15 acquisitions are two-bedroom dwellings, therefore, have comparatively higher acquisition, works and furnishing costs.
- 2.2 Since the launch of NSAP, the programme has been renamed the Rough Sleeping Accommodation Programme (RSAP). In November 2020 MHCLG stated that the experiences of Housing First pilots were the impetus behind RSAP. The Housing First pilots referred to were launched in 2018 and were in the three combined authorities of Greater Manchester, Liverpool City Region and West Midlands. Housing First is based on seven key principles: people have a right to a home; flexible support is provided for as long as it is needed; housing and support are separated; individuals have choice and control; an active engagement approach is used; the service is based on people’s strengths, goals and aspirations; and a harm reduction approach is used. Housing First is not limited to rough sleepers, but a Housing First model for rough sleepers departs from the traditional “staircase” or “treatment first” approaches by leapfrogging hostels and other temporary accommodation (for example bed and breakfast) and housing people directly into independent long-term settled housing with personalised, non-time limited support.

- 2.3 RSAP is a Housing First hybrid, in that it provides a portfolio of self-contained dwellings with wraparound support, but accommodation is for up to two years - allowing dwellings to be “re-used” for other former rough sleepers or those at risk of rough sleeping. Therefore, the accommodation not only meets the needs of rough sleepers and those at risk of rough sleeping, but it relieves the pressure on existing services, most importantly bed and breakfast accommodation.
- 2.4 Vision 2025 contains the aspirations “Let’s work together to tackle homelessness in Lincoln” and “Let’s provide help to the most vulnerable in our city”. RSAP can help to tackle rough sleeping (albeit this is only one form of homelessness), rough sleepers being some of the most vulnerable people in Lincoln, by providing move-on accommodation to former rough sleepers or those at risk of rough sleeping.
- 2.5 On 18 March 2021 MHCLG launched the RSAP prospectus for 2021-24 (round two of RSAP). £140.9m capital and £70.7m revenue funding was made available to deliver over 2,700 units of move-on accommodation¹ for rough sleepers, those with a history of rough sleeping currently in emergency accommodation or those at risk of rough sleeping and homelessness.
- 2.6 Most of the capital funding was made available in the financial year 2021-22, with a small amount available to deliver homes in the first part of 2022-23. Revenue funding for support services for capital funded schemes was only made available over the period 2021-24. Bids were to be submitted by either 29 April, 1 July, or 2 September 2021. Early submissions were advised as funding was to be allocated on a first-come, first-served basis.
- 2.7 Bids are assessed in terms of deliverability and value for money, with the emphasis upon the accommodation being a “home” as opposed to short-term temporary accommodation. Therefore, dispersed, self-contained schemes are prioritised for funding.
- 2.8 As is the case for round one RSAP schemes, the accommodation is to be available for the occupant for a maximum period of two or three years. Councils are to let accommodation on either flexible (periodic) tenancies or non-secure tenancies (the latter is being used for the Council’s existing scheme). In line with existing arrangements, the accommodation is required to remain as move-on accommodation for former rough sleepers or those at risk of rough sleeping. Therefore, to allow the occupant to remain in the accommodation as a secure tenant, the capital grant either needs to be repaid or recycled into the acquisition of a replacement unit.

3. Round two bid

- 3.1 As stated above the Council is currently completing the delivery of a round one RSAP scheme of 15 no. units of dispersed accommodation. In order to ensure there is sufficient move-on accommodation for rough sleepers, including those currently in emergency accommodation (including bed and breakfast accommodation) and others at risk of rough sleeping, in April 2021 the Council submitted a round two bid for capital and revenue funds to deliver a further 15 no. dispersed units during 2021-22. On 7 June 2021 the Council was informed by Homes England, who administer the programme on

¹ Supported accommodation which forms part of a pathway to settled accommodation, providing a genuine home with support that will help prepare former rough sleepers for fully independent housing within two years where possible.

behalf of MHCLG that it had been successful in accessing capital funding of £735,000 and revenue of £192,823 to fund 2.5 FTE support workers over the period 2021-24.

- 3.2 As is the case for round one, the accommodation would be acquired in areas of the city close to services and transport links, ensuring the tenants can become reintegrated into society and can feel part of their neighbourhood. Once acquired properties would be improved to meet the Decent Homes Standard and be fully furnished. Although the aim is to acquire one-bedroom dwellings, suitable two-bedroom dwellings would also be considered.
- 3.3 The Council's Rough Sleeping team would allocate and manage the accommodation. Support will include mental health support, help to tackle substance misuse, and financial and other life skills needed for independent living.

4. Strategic Priorities

4.1 Let's drive economic growth

Through the provision of move-on accommodation former rough sleepers can be re-integrated back into society, undertake training and education, and eventually be able to access employment opportunities and support the economy.

4.2 Let's reduce inequality

In addition to financial inequality and the inability to be able to fully participate in society, rough sleepers are likely to suffer from high levels of mental and physical health inequality. The provision of move-on accommodation for former rough sleepers and those at risk of rough sleeping seeks to break the cycle of homelessness and enable people to be able to re-integrate into society.

4.3 Let's deliver quality housing

The proposed scheme seeks to provide 15 no. units of self-contained furnished accommodation which meet the Decent Homes Standard and aspire to meet Nationally Described Space Standards.

4.4 High performing services

The provision of move-on accommodation seeks to break the cycle of rough sleeping and ensure that former rough sleepers have the life skills to be able to sustain a secure council or private sector tenancy. Therefore, move-on accommodation should reduce the level of rough sleeping and tenancy failure.

5. Organisational Impacts

5.1 Finance

Capital

Capital grant allocation	£735,000
Borrowing / other capital funding	£884,250
Total scheme cost	£1,619,250

Revenue grant allocation

2021-22	2022-23	2023-24	Total
£20,865	£85,128	£86,830	£192,823

5.2 Legal Implications including Procurement Rules

Properties will let using non-secure tenancy agreements, provided under Part 7 of the Housing Act 1996 (paragraph 4, schedule 1, Housing Act 1985). All required works will be undertaken in accordance with the Council's Contract Procedure Rules and ultimately Public Contract Regulations 2015. The Council is mindful of the new subsidy control system (formerly the EU state aid regime) which came into force on 1 January 2021, and the position with regard to any aid/subsidy is being considered, however it is likely not to apply or be covered by an exemption. Therefore, this will be kept under review, as more definitive guidance on the new subsidy control becomes available.

5.3 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

The proposed scheme to provide move-on accommodation for people re-covering from rough sleeping or at risk of rough sleeping seeks to advance equality of opportunity and foster good relations between different people. Dwellings will be acquired in suitable locations and allocated in line with housing and support needs; this includes taking into consideration disabilities, and the provision of aids and adaptations when required.

5.4 Human Resources

Subject to it being agreed to accept the capital and revenue funding, additional support workers would be recruited on fixed term contracts. If a contract of employment ends after two years and where an employee is continuously employed on a fixed-term contract for two years or more, they would have a right to redundancy pay.

6. Risk Implications

6.1 (i) Options

1. To accept the capital and associated revenue grant funding and to progress to contract to deliver 15 no. units of dispersed, supported accommodation using a purchase and repair model.
2. To accept a reduced proportion of the capital and associated revenue grant funding to deliver a smaller number of units, and to request to contract on this basis. For example, 12 units and 2 FTE support workers; 9 units and 1.5 FTE support workers; or 6 units and 1 FTE support worker.

3. To decide not to pursue a scheme.

6.2 (ii) Key risks associated with the preferred approach

The preferred option is for the Council to agree to accept the capital and revenue funding to seek to deliver additional units of move-on accommodation. The main risks are (a) the availability of suitable potential acquisitions; and (b) the risks surrounding the availability revenue funding post 2023-24.

7. Recommendation

7.1 That the Executive agrees to the Council accepting further capital and associated revenue funding to deliver round two of the Rough Sleepers Accommodation Programme.