

Birmingham City Council

Report to Cabinet

18th May 2021



Subject: HOMELESSNESS REDUCTION NEW BURDENS
GRANT FUNDING ACCEPTANCE AND EXPENDITURE

Report of: Acting - Director of Neighbourhoods

Relevant Cabinet Member: Councillor Sharon Thompson, Homes and Neighbourhoods

Relevant O &S Chair(s): Councillor Penny Holbrook, Housing and Neighbourhoods

Report author: Debbie Parkes, Acting Senior Service Manager
Housing Option (Homelessness)

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 0086812021		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential :		

1 Executive Summary

- 1.1 This report requests Cabinet to accept the Council's Homelessness Reduction Act New Burdens Grant of £2,496,359 for the financial year 2021/22 allocated by the Ministry of Housing, Communities and Local Government (MHCLG).
- 1.2 This report sets out how the Council intends to utilise this revenue funding which focuses upon homeless prevention activities.
- 1.3 Delegated authority is also sought for the Acting Assistant Director, Housing

following consultation with the Cabinet Member for Homes and Neighbourhoods to use any unallocated Grant during the year or make further adjustments as necessary to ensure full utilisation of this grant.

2 Recommendations

2.1 Cabinet is recommended to:-

2.1.1 Authorise the acceptance of the Homelessness Reduction Act 2017 New Burdens Grant of £2,496,359 for the financial year 2021-2022.

2.1.2 Authorise the expenditure programme set out in 7.3.2 which focuses upon homeless prevention activities.

2.1.3 Delegate authority to the Acting Assistant Director, Housing following consultation with the Cabinet Member for Homes and Neighbourhoods, to use any unallocated Grant as permitted under any grant conditions to make further adjustments as necessary to ensure full utilisation of this grant.

2.1.4 Authorises the City Solicitor (or their delegate) to negotiate and complete any agreements to give effect to the above decisions.

3 Background

3.1 The Council's allocation of the Homelessness Reduction Act (HRA) New Burdens Grant was confirmed by the MHCLG on 21 December 2020 for the financial year of 2021-22 of £2,496,359. The funding is intended to meet new burdens incurred by Local Authorities as a result of the ongoing implementation of the Homeless Reduction Act (HRA) 2017.

3.2 The key provisions of the HRA came into force between April 2018 and October 2018. The HRA places new duties and increased demand upon English local housing authorities (LHAs) and it represents the most significant change to homelessness legislation since the Housing (Homeless Persons) Act 1977. This grant has been provided to help LHAs meet these legal responsibilities introduced as part of the HRA.

3.3 The HRA provisions significantly extend the Council's legal obligations to prevent and relieve homelessness. The new duties require an extensive assessment of need and more intensive casework over an extended period. The increase in homeless prevention activities and retention of skilled staff and services is crucial for the Council to meet its expanded legal obligations and Council priorities.

3.4 In addition, this legislation applies to a much wider cohort of service users. Within this context, many households have complex needs, and specialist services are required for rough sleepers and domestic abuse victims, hence the expenditure proposals in section 7.

- 3.5 In December 2020, the MHCLG confirmed that for the financial year 2021-22, *“In 2021-22 we have given local authorities more control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness”*.
- 3.6 The HRA provides everyone who is homeless (or at risk of homelessness) with access to assistance, irrespective of their ‘priority need’ status. There is also a much greater emphasis on prevention work, which is now enshrined within a statutory framework.
- 3.7 It is proposed that this grant allocation for financial year of 2021-22 is utilised to focus upon prevention and early intervention. This will help to support front-line homelessness pressures and provide capacity to increase the supply of, and access to, the various forms of accommodation, especially privately rented units. As court evictions are lifted in 2021, we understand we will see an increase in household facing homelessness.

4 Options considered and Recommended Proposal

- 4.1 The options that have been considered are:

4.1.1 Do nothing:

This option would risk the Council not meeting its statutory duties to those threatened with homelessness and those who are experiencing homelessness including those placed in Temporary Accommodation under the Homeless provisions of the Housing Act 1996 (as amended).

This option is not recommended.

4.1.2 Accept Grant Allocation:

This is the fourth year of this grant allocation and is provided in recognition of the additional statutory homeless responsibly placed upon the Housing Options Service.

This option is recommended.

- 4.2 There are no equalities implications arising as a result of this report.

5 Consultation

- 5.1 Consultation has been embedded in Birmingham’s Homeless Prevention Strategy 2017+ with the Homelessness Partnership Board. This focuses on preventing people from becoming homeless in the first place and supporting those who are homeless to build a more positive future.

6 Risk Management

- 6.1 If the grant is not accepted and revenue expenditure approved, there is a risk the duty upon the Council will not be fully met due to the limited capacity of prevention resources. This will result in those who are homeless, or at risk of becoming homeless, not receiving an appropriate level of assistance. In addition, there is a therefore the risk that they may have to make a homeless approach the following negative outcomes:
- 6.2 Increased temporary accommodation costs
- 6.3 Increased rough sleeping in Birmingham
- 6.4 Reduce early intervention support to limit the impact of homelessness, help people to recover from homelessness, and prevent becoming trapped in a cycle of homelessness.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

7.1.1 This report supports the delivery of one the Council Priorities as set out in the Birmingham City Council Plan 2018 – 2022.

Birmingham is a great city to live in. We will work with partners to tackle rough sleeping and homelessness. We will have the appropriate housing to meet the needs of our citizens.

7.2 Legal Implications

7.2.1 The Homelessness Reduction Act 2017 amends the Housing Act 1996 Part VII and it places new duties on English LHAs. It came in to force in April 2018, although the MHCLG introduced one of the more significant provisions in October 2018. The Act requires local authorities to carry out additional duties to prevent and relieve homelessness and to intervene earlier when it is likely that an applicant will become homeless with 56 days.

7.3 Financial Implications

7.3.1 The 2021/22 Housing Options budget reflects the grant as per the annual budget report and MTFP agreed by Council in February 2021. A specific income line for £2,496,359 has been included with corresponding expenditure budget. This report is required to formally accept the grant funds into the council and set out proposed use.

7.3.2 The revenue expenditure and income is outlined in the table below amounting to £2,496,359

Budget required:	2021-22
Private Rented Sector Access and retention (deposits and rent arrears)	500,000
Additional Visiting Officer Capacity	100,000
Family Mediation	20,000
Sanctuary/Security Measures	200,000
Early Intervention Fund	450,000
Webchat	100,000
Domestic Abuse Hub	450,000
Officer/Partners Training	200,000
Rough Sleeper and Singles Hub, Statutory Homelessness Support	150,000
Hospital Discharge, Statutory Homelessness Support	100,000
Offenders Hub, Statutory Homelessness Support	100,000
Contact Centre, support for increasing evictions	100,000
Homeless Finance and Monitoring Officer	10,000
Contingency	16,359
Total	£2,496,359

7.3.3 There are no capital implications arising from this report.

7.4 Procurement Implications (if required)

7.4.1 Current and newly procured services will be utilised following City Council procurement processes.

7.5 Human Resources Implications (if required)

7.5.1 The recruitment process for the visiting officer resource will be undertaken in accordance with the Council's Recruitment and Selection policy.

7.6 Public Sector Equality Duty

7.6.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

7.6.2 An initial equality assessment has been carried out in **Appendix 1**.

7.6.3 This New Burdens Grant will benefit vulnerable customers by offering household's more options to prevent their homelessness, support them to remain in their own homes or help the Council to manage and support households in Temporary Accommodation.

8 Background Documents

8.1 MHCLG grant allocation

List of appendices accompanying this report:

Appendix 1 – Equality Assessment