

Birmingham City Council

Report to Cabinet

25th April 2023



Subject: Homelessness Prevention Grant Allocation 2023-25
Report of: Paul Langford - Acting Strategic Director, City Housing
Relevant Cabinet Member: Cllr Sharon Thompson, Housing & Homelessness
Cllr Mosquito, Finance & Resources
Relevant O &S Chair(s): Cllr Idrees, Housing & Neighbourhoods
Cllr Akhlaq Ahmed, Resources
Report author: Stephen Philpott, Director, Housing Solutions and Support
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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: 010984/2023		
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 On 23rd December 2022, the Department for Levelling Up, Housing & Communities (DLUHC) announced allocations of Homelessness Prevention Grant (HPG) for all Local Authorities, for the periods, 2023-24 and 2024-25.
- 1.2 The Birmingham allocation is £7,381,564 for 2023-24, and £7,475,942 for 2024-25, a total of £14,857,506 for the two-year period, this compares to an allocation of £7,307,394 received for 2022-23. Of this amount £4,674,635 is contained within the Council Financial Plan and addressed within the relevant Cabinet Paper, on that basis it is the element of the HPG that was previously known as New Burdens, that

is addressed within this Cabinet paper. This amount is £2,706,929 for 2023-24 and £2,801,307 for 2024-25, a total of £5,508,236.

- 1.3 This report seeks Cabinet approval to receive and spend this Grant allocation in line with the terms of the ring-fenced Grant.
- 1.4 Delegated authority is also sought for the Director, Housing Solutions and Support Service following consultation with the Cabinet Member for Housing & Homelessness to use any unallocated Grant during the 2 years or make further adjustments as necessary to ensure full utilisation of this grant.
- 1.5 Delegated authority is also sought to receive and expend in line with Grant conditions any further HPG allocations made within this 2-year period.

2 Recommendations

2.1 That Cabinet:

- 2.1.1 Authorises the acceptance of the relevant additional Homelessness Prevention Grant amounts for 2023-24 of £2,706,929 and 2024-25 of £2,801,307.
- 2.1.2 Authorises the expenditure programme set out in Appendix 1 which focuses upon homeless prevention activities.
- 2.1.3 Delegates authority to the Director, Housing Solutions and Support Service following consultation with the Cabinet Member for Housing & Homelessness, 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 Delegates authority to the Strategic Director for City Housing (or their delegate), following consultation with the Cabinet Member for Housing & Homelessness, to accept and expend grant funding in line with the Grant Conditions any further HPG allocations made within these 2 financial year periods.
- 2.1.5 Authorises the City Solicitor and Monitoring Officer (or their delegate) to negotiate and complete any agreements to give effect to the above decisions.

3 Background

- 3.1 Annually Birmingham City Council receives government grant to prevent and relieve homelessness. This reflects the statutory duties upon the Local Authority, primarily set out in the Homelessness Reduction Act 2017. The Birmingham allocation is £7,381,564 for 2023-24, and £7,475,942 for 2024-25, a total of £14,857,506 for the two-year period, this compares to an allocation of £7,307,394 received for 2022-23.
- 3.2 Of this amount £4,674,635 is contained within the Council Financial Plan and addressed within the relevant Cabinet Paper, on that basis it is the element of the HPG that was previously known as New Burdens, is addressed within this Cabinet

paper. This amount is £2,706,929 for 2023-24 and £2,801,307 for 2024-25, a total of £5,508,236.

- 3.3 The funding is intended to meet new burdens incurred by Local Authorities as a result of the ongoing implementation of the Homelessness Reduction Act (HRA) 2017.
- 3.4 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 represented 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.
- 3.5 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.
- 3.6 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, this is reflected in the indicative expenditure breakdown contained within appendix 1.
- 3.7 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.
- 3.8 It is proposed that this grant allocation for financial year of 2023-25 is utilised to focus upon prevention. 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.
- 3.9 In line with the commitment of the Local Authority to Early Intervention and Prevention, opportunity will be given within the period 2023-25 to review the effectiveness and value for money relating to the Grant. This will seek to ensure the best integration of homelessness prevention with Early Intervention and Prevention.
- 3.10 Pressures upon homelessness services within the city have increased. Average weekly presentations to Housing Solutions are in 2022, 29% higher than 2020 and 19% higher than 2021. There are currently (10th January 2023) 4455 households in temporary accommodation, of which 720 are in B&B/hotels and 504 households with dependents have been in B&B/hotel for more than 6 weeks. It is a business priority to reduce the number of households in B&B/hotel accommodation due to the impact upon households and the cost to the Local Authority. A B&B elimination plan focuses upon the prevention of homelessness, better temporary accommodation provision and greater move-on options.

- 3.11 Homelessness Prevention Grant is used to fund a wide range of interventions, including – prevention hubs, landlord incentives, mediation services, private sector leasing, contact centre provision and prevention of eviction interventions.
- 3.12 In winter 2021-22 and 2022-23 DLUHC announced with no prior notification additional top-ups to HPG, in 2021-22 to help ‘vulnerable renters’ (£1.5m) and in 2021-23 to tackle ‘winter pressures’ (£1.1m). In both cases retrospective Cabinet papers were presented seeking permission to receive and spend these additional sums in line with the Grant conditions. It is not known whether there will be any HPG awards during the 2023-25 period, should there be such awards, Cabinet approval is sought to receive and spend these sums in line with the Grant conditions.

4 Options considered and Recommended Proposal

4.1 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

4.2 Accept Grant Allocation:

This is the sixth year of this grant allocation and is provided in recognition of the additional statutory homeless responsibility placed upon the Housing Solutions & Support Service.

This option is recommended.

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. The plan for Homelessness Prevention Grant for 2023-25 was presented at Homelessness Partnership Board on 25th January 2023.

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 the risk that they may have to make a homeless approach with the following negative outcomes:
- increased temporary accommodation costs
 - increased rough sleeping in Birmingham

- reduced early intervention support to limit the impact of homelessness, help people to recover from homelessness, and prevent becoming trapped in a cycle of homelessness.
- Increased legal and Ombudsman challenges and costs

7 Compliance Issues:

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

7.1.1 The proposal supports the delivery of the following Council Priorities as set out in the Corporate Plan 2022 – 2026; -.

- An Inclusive Birmingham: through a focus on tackling poverty and inequality, empowering citizens, promoting diversity and civic pride, and supporting and enabling all children and young people to thrive.
- A Safe Birmingham: through a focus on making the city safer, safeguarding vulnerable citizens, increasing affordable housing, and tackling homelessness.

7.1.2 In addition, the proposal is aligned to the 2017 Homelessness Prevention Strategy.

7.2 Legal Implications

7.2.1 The Homelessness Reduction Act 2017 amends the Housing Act 1996 Part VII and places a duty on the Council to provide advisory services to persons in order to prevent homelessness.

7.3 Financial Implications

7.3.1 Birmingham City Council receives government grant to prevent and relieve homelessness. Allocations have been confirmed as £7,381,564 for 2023-24, and £7,475,942 for 2024-25, a total of £14,857,506 for the two-year period.

7.3.2 Of this amount, £4,674,635 relates to flexible homeless support and forms part of the base budget for Housing as per the Council's Financial Plan. The remaining amount of £2,706,929 for 2023-24 and £2,801,307 for 2024-25 is what this report covers. The recommendations seek approval to accept this element of the grant and set out spend proposals in appendix 1. Spend proposals are specifically in relation to preventing and relieving homelessness as per grant conditions.

7.4 Procurement Implications

7.4.1 There are no procurement implications with the recommendations in this report. Any procurement required as a result of the proposed spend will be subject to separate reports and will be compliant with the Council's Procurement and Contract Governance Rules.

7.5 Human Resources Implications

7.5.1 Any recruitment processes will be undertaken in accordance with the Council's Recruitment and Selection policy. Any overtime or agency use will be undertaken in accordance with relevant policies and procedures.

7.6 Public Sector Equality Duty

7.6.1 An initial assessment has been prepared. There is no adverse impact identified. The initial assessment document is appended to the Report duly signed and dated.

8 Environment Sustainability Assessment

Initial assessment undertaken. Confirmed full assessment not required at this stage.

9 Background Documents

Details of the Department of Levelling Up, Housing and Communities allocations of Homelessness Prevention Grant can be found at

<https://www.gov.uk/government/publications/homelessness-prevention-grant-2023-to-2025>

List of appendices accompanying this report:

Appendix 1 – Table setting out the indicative categories of spend for 2023-24 and 2024-25

Appendix 2 – Equality Impact Assessment