

Birmingham City Council

Report to: Cabinet

27 July 2021



Subject: ROUGH SLEEPER ACCOMMODATION PROGRAMME
ROUND ONE 2021/22
FUNDING BID APPROVAL AND AWARDS

Report of: Managing Director – City Housing

Relevant Cabinet Member: Councillor Sharon Thompson, Homes and Neighbourhoods

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

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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: 008961/2021		
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 public report seeks retrospective approval for the submission of a bid under the Rough Sleepers Accommodation Programme (RSAP) round one 2021-22, along with permission to spend funds and deliver the programme as described. It is a retrospective request due to the timeframe given for bidding. The RSAP

round was launched on 18th March 2021 with the programme information and bid documentation, with a deadline to submit of 29th April 2021. In that time consultations with partners, the development of a proposal and sign-off to bid had to be secured. The timescale did not allow for Cabinet approval in advance of bidding.

- 1.2 This is a programme provided by the Ministry of Housing, Communities and Local Government (MHCLG) working with Homes England to secure move-on accommodation to people accommodated under 'everyone-in' and current rough sleepers. Birmingham's submission is made via the West Midlands Combined Authority, at the request of MHCLG, and is set out in Appendix A with a total value of £680,191 revenue. This will be awarded to Birmingham City Council in order to grant or commission support for accommodation units.
- 1.3 The accommodation units will be 1-bedroom, self-contained flats in Birmingham. Citizen Housing Association will directly receive Homes England grant to enable the purchase of 15 units off the open market, to complete by March 2022. These will be available to Birmingham City Council nominations of rough sleepers in accordance with a local lettings plan. As additional value to the programme Birmingham City Council is offering 25 x 1-bedroom flats, July 2021 – March 2022, making a total of 40 units.
- 1.4 The units of accommodation are to be available to the programme for 30 years. The indicative stay for each individual is 2-3 years with a move-on plan. The initial revenue programme for support covers the period 2021-24.

2 Recommendations

That Cabinet:

- 2.1 Retrospectively approves the submission of a bid from the Council via WMCA for RSAP revenue of £680,200.
- 2.2 Approves the route to deliver 40 units of accommodation into the programme.
- 2.3 Notes that delivery of support will be via a support provider granted or contracted to a value of no more than £680,200.
- 2.4 Delegates authority to the Managing Director, City Housing (or their delegate) in conjunction with the Assistant Director of Development and Commercial (or their delegate), the Chief Finance Officer (or their delegate) and the City Solicitor (or their delegate) to spend the funds, via the approval of the procurement strategy and contract award; if a procurement is the preferred commissioning route.
- 2.5 Authorises the City Solicitor to negotiate and execute any documents to give effect to the above recommendation.

3 Background

- 3.1 The RSAP was launched on 18th March 2021 and represents a £212m government investment into homes for people who have been rough sleepers.

This is the next stage of the 2020 Next Steps Accommodation Programme (NSAP). Both programmes seeking to create additional move-on accommodation for rough sleepers accommodated through 'everyone-in', or newly presenting as rough sleepers. The target is to secure additional social housing, available for 30 years, while providing support services initially to March 2024. The accommodation is not aimed at being permanent, rather a 2-3 year stay, and in most cases further move-on so that other rough sleepers may benefit. The units are not supported housing or a hostel, they are required to be self-contained and are ideally to be scattered rather than in a single block.

- 3.2 Under the NSAP, Birmingham City Council was included within a WMCA bid in partnership with Citizen Housing (Registered Social Landlord). Citizen have received capital from Homes England to purchase 10 x 1-bedroom flats in Birmingham with a Local Lettings Agreement securing these for Birmingham City Council to nominate rough sleepers into for 30 years. A revenue grant to Birmingham City Council from MHCLG enables the contracting of support for these 10 units for the initial 3 years.
- 3.3 The first deadline for RSAP was 29th April 2021 for bids, there are additional bidding windows in July and September, but funds will be allocated to suitable proposals and so there is no guarantee of allocations remaining in July or September. Decisions on bids made in April are expected in June. Officers are working with partners on potential bids for subsequent rounds.
- 3.4 The programme offers an important asset towards Birmingham meeting commitments to prevent and relieve rough sleeping. Official count figures show a reduction on single nights from 91 (2018), 52 (2019) to 17 (2020) an important factor has been the regional Housing First Pilot through which Birmingham has accommodated over 140 rough sleepers into independent tenancies in the city 2018-2021. The pilot ends in June 2021 and an important pathway to newly presenting needs is lost. Birmingham still sees a significant number of people sleep rough in any single month e.g. February 2021, 90 individuals slept rough at some point in the month, and 32 of those were new to rough sleeper services.
- 3.5 The RSAP enables partners to build upon the learning and success of Housing First and provides an important pathway into move-on accommodation and support.

4 Options Considered and Recommended Proposal

- 4.1 Not to bid for the funding. This would have a substantial and negative impact upon service provision and relationships with partners, strategic and local. The loss of Housing First and the absence of a replacement programme is likely to result in an increased level of rough sleeping.
- 4.2 Alternative plans have been invited from across the authority and from partners. There are proposals that may be brought forward to later funding rounds. Delivery of capital units within the financial year 2021-22 is a critical factor and challenge, and one that excludes longer-term options.

- 4.3 It is recommended that retrospective support is given to the bid for RSAP round one, alongside permission to commission the associated support service, spend the funds, via a procurement, grant or use of an established Framework Agreement and mobilise delivery as set out.

5 Consultation

- 5.1 External consultation with partners and providers took place via the Homelessness Partnership Board, 28th April 2021, regional Homelessness Taskforce 22nd April 2021, and through the Birmingham Homelessness Forum, and Birmingham Social Housing Partnership. This included invitations to submit proposals to be a partner in the RSAP bid.
- 5.2 MHCLG and Homes England require the bid to be developed through co-production. This has been done throughout in consultation with designated specialist advisors.
- 5.3 The following Cabinet Members have been consulted and support the proposal: Cabinet Member for Social Inclusion, Community Safety and Equalities, Cabinet Member for Health and Social Care, Cabinet Member for Finance and Resources.

6 Risk Management

- 6.1 At this stage the risks are related to compliance, these risks are managed within the governance arrangements and compliance issues in Section 7.

7 Compliance Issues:

- 7.1 The bid supports the Homelessness Prevention Strategy 2017+ and in particular the Rough Sleeping Addendum which supplements it and was formally adopted by Full Council on 12 January 2021.
- 7.2 The service delivery element of the bid complements the Vulnerable Adults Housing and Wellbeing Pathway investment as set out in the Cabinet Report 16 April 2019.
- 7.3 Elements of the bid will support young people who are homeless and therefore supports the Council's Corporate Parenting responsibilities.

8 Birmingham Business Charter for Social Responsibility (BBC4SR)

There are no BBC4SR implications.

9 Legal Implications

- 9.1 Section 179 Housing Act 1996 provides that a local housing authority must provide or secure the provision of a service, available free of charge to any person in the authority's district, providing information and advice on, preventing homelessness, securing accommodation when homeless, the rights of persons who are homeless or threatened with homelessness, and the duties of the authority.

- 9.2 The Council may also exercise powers under the Care Act 2014 together with associated regulations and statutory guidance relating to the provision of services to meet the need for care and support as well as prevention and services to promote wellbeing.
- 9.3 Section 93 of the Local Government Act 2000 gives the Secretary of State power to award grants to local authorities for expenditure incurred by them in the provision of welfare services determined by the Secretary of State.
- 9.4 The Council's obligations for this service under the General Data Protection Regulation (GDPR) will be met by commissioned arrangements.

10 Financial Implications

- 10.1 Birmingham City Council is not directly involved in the capital element of the bid. The capital will go direct from Homes England to the Registered Provider. It is understood that the 15 purchased units will amount to a value of circa £2.5m additional social housing within the city.
- 10.2 The revenue ask, from Birmingham, via WMCA, to MHCLG will be for sufficient support to cover all 40 units to March 2024. It is envisaged that units will be drawn down gradually across the first year so the support requirement will gradually be mobilised. With a likely draw down of BCC units in the early phases due to availability. A cost of £1000 per unit for furniture has been included in revenue while furniture for Citizen purchases are capitalised.
- 10.3 Based upon recent procurement work and dialogue with providers, commissioners have identified a rate of £32,600 per support worker (inclusive). Discussion with commissioners further agreed a ratio of 8:1 per support worker/unit; and with 40 units that is 5 workers, plus Team Leader, identified as £57,500 (inclusive). Commissioning colleagues have further sought capacity to allow for commissioning, contracting and contract management as 50% of GR6 to allow for 50% of GR5 contract management plus associated costs for procurement/Payment Order raising.
- 10.4 A timeline has been identified as; June 2021 – notification of award with the option to bring BCC units through quickly, so staffing from August 2021, with a target of 6 units pcm, August – February 2022. A second support worker from October, third from November, fourth in December, fifth for February and team leader from the start – so extra support capacity there till the team is fully functioning.
- 10.5 On that basis: -
2021-22 is 7 months, 6 months, 5 months, 4 months, 2 months = 24 months of support work, plus 7 months of team leader
2022-23 is 60 months of support workers, plus 12 of team leader
2023-24 is 60 months of support workers, plus 12 of team leader
- 10.6 Total of 144 months of support workers (at £2,717 pcm total £391,248) and 31 months of team leader (£4792 pcm total £148,541) = £539,789

- 10.7 Commissioning capacity and oversight for 31 months = £115,402 (£3,723 pcm)
- 10.8 Furniture for x 25 units at £1000/unit = £25,000
- 10.9 Grand total of £493,541 + £115,402 = £680,200 (revenue bid for 2021-24)
- 10.10 Broken down by year:
 - 2021-22 £65,195 + £33,544 + £26,061 + 25,000 = £149,800
 - 2022-23 £163,020 + £57,504 + £44,676 = £265,200
 - 2023-24 £163,020 + £57,504 + £44,676 = £265,200

10.10.1 The funding will be a Section 31 grant from MHCLG accompanied by a Memorandum of Understanding (MoU).

10.10.2 There are no specific revenue implications arising from the submission of the bid or contract awards. Funding allocations will be passed on to providers in line with submissions they made to the council for inclusion the bid. The revenue implications in relation to the receipt of the proposed bid and contract awards will be contained within the bid with no additional cost to the Council.

11 Procurement Implications

- 11.1 The route to procure or grant award for the provision of support will be contingent upon the level and requirements of MHCLG award for support and delivery requirements.
- 11.2 If a procurement is required approval will be sought via the standard Delegated Procurement Reporting process.
 - 11.2.1 It is noted that the timescales for this are challenging, with first additional support ideally in place from August 2021. On that basis other options are being explored.

12 Human Resources Implications (if required)

- 12.1.1 The revenue finance will be held by Adult Social Care and the commissioning will be undertaken by staff within the Adult Social Care Directorate, and capacity for this has been included in the bid. Operational delivery management will follow a similar profile as that in place for the Housing First programme. Contract oversight will be supported by Housing Directorate staff.

13 Public Sector Equality Duty

- 13.1.1 An Initial Impact Assessment has been carried out and no adverse impacts have been identified and a Full Impact Assessment is not recommended at this stage.

14 Background Documents

- 14.1 Cabinet Report Putting Prevention First: Commissioning and Procurement Strategies for Vulnerable Adults Housing and Wellbeing Support; 16 April 2019.
- 14.2 List of Appendices accompanying this Report (if any):

- Appendix A – Birmingham element of WMCA RSAP bid
- Equality Assessment

Appendix A

BID Proposal

7a. Scheme name (or multiple Scheme names if support services commissioned jointly for more than one Scheme) and IMS Offer line ID (if available and/or relevant)	7b. Please confirm the level of support that will be provided in your Scheme (as detailed at paragraph 35 of the Prospectus) - Low / Medium / High	7c. Please explain the expected impact of the support your Scheme(s) will provide for rough sleepers or those with a history of rough sleeping currently in emergency accommodation: to support them into fully independent housing. (max 250 words)	7d. Total number of support workers proposed to be funded through RSAP revenue grant, their roles, committed hours and costs				7e. Total number of support workers funded through existing initiatives who will support this RSAP Scheme, and their committed hours to RSAP			7f. Total costs to deliver support to people in the Scheme (£)			7g. Amount of support funding requested from RSAP to provide support people in the Scheme (£)		
			Total number	Their role(s)	Committed hours	Total cost (£)	Total number	Their role(s)	Committed hours to RSAP	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
WMCA dispersed rough sleeping accommodation and support scheme - Birmingham (15 RSAP units and 25 from Birmingham City Council) - revenue to be paid to the local authority. Revenue ask includes £1000/unit for 25 units BCC for furniture while RSL units furnished via capital.	High	This approach builds upon experience and structures of our Housing First pilot, while ensuring fidelity with RSAP requirements. The impact will be to maintain an alternative to homeless supported housing and hostels responding to needs seen in current rough sleepers and those in emergency accommodation. The support needs are high and complex. The impact will be 40 (15+25) rough sleepers accommodated independently in dispersed social housing 1 bedroom units, in areas they seek, with substantial support. This will be available for the 2-3 year timetable, with move-on plans in place to take lifestyles further away from the streets. The impact of Housing First has been a key factor in the reduction in rough sleeping in Birmingham, RSAP offers the same prospect of impact and it is believed will be another key component in further rough sleeping reductions. The support will be focused on the strengths and needs of the individual, it will be psychologically informed and tied into the extensive range of services making up the public services and commissioned providers in the rough sleeper partnership. This includes the RSAP support utilising mental and physical health services, substance misuse services, befriending, employment and move-on support.	5x Support Workers; 1 x Team Leader to support; 0.5 x commissioning, oversight and programme support	Provide support to individuals accommodated and support transition into permanent accommodation	243.75 per week	£680,200.00	0	N/A	N/A	£149,800.00	£265,200.00	£265,200.00	£149,800.00	£265,200.00	£265,200.00