

Birmingham City Council

Report to Cabinet

30th June 2022



Subject: Supported Housing Improvement Programme – Grant Application

Report of: Julie Griffin, Strategic Director, City Housing

Relevant Cabinet Member: Councillor Sharon Thompson, Cabinet Member Housing and Homelessness
Councillor Yvonne Mosquito, Cabinet Member Finance and Resources

Relevant O & S Chair: Councillor Mohammed Idrees, Housing and Neighbourhoods
Councillor Akhlaq Ahmed, Resources

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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: 010360/2022		
Is the decision eligible for call-in?	<input type="checkbox"/> Yes	<input checked="" 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: No		

1. Executive Summary

- 1.1. Following Birmingham's successful delivery of the recent government funded supported housing oversight pilots looking into the issues around Exempt Accommodation, the Department for Levelling up Housing and Communities (DLUHC) have invited Birmingham to bid for additional funding as part of the recently announced Supported Housing Improvement Programme.

- 1.2. This invitation is in advance of the formal publication of the Prospectus and provides an opportunity for Birmingham to get early confirmation of additional grant funding between 2022-2025 to continue to resource the oversight activity currently in place.
- 1.3. This is a continuation of an existing programme within Birmingham City Council, which in 2022/23 was allocated one-off internal funds of £1.997m over 12 months to allow the programme of work to continue until it could attract a future funding source to continue beyond March 2023.
- 1.4. The prospectus indicates individual Local Authority submissions should be no more than £2m over the grant period of two to three years. This means the programme can continue into 23/24, albeit at a reduced level depending on the level of grant funding allocated.
- 1.5. The timescales given by DLUHC for this advance submission are very challenging and they have given a deadline of the end of June 2022 for a submission in order that an announcement can be made prior to parliamentary summer recess.
- 1.6. The bid in appendix 1 sets out the detail of the submission and is based on a gold silver and bronze 'ask'. Clearly the Council will want to maximise the level of grant funding to retain existing oversight activity in the Exempt sector so the submission includes options for funding over and above the £2m threshold and the implications if this is not secured through grant.
- 1.7. The submission is presented on the basis the Council has committed funds for the first year, as detailed in section 1.3, and so the application is based around the final 2 years 2023-2025, maximising the potential to retain the current level of oversight resource for an additional 2 years without causing any financial pressure on the Council.

2. **Recommendations**

That Cabinet:

- 2.1. Approves the grant application to DLUHC for the supported housing improvement programme, attached at Appendix 1.
- 2.2. Approves the acceptance of any subsequent grant award.
- 2.3. Delegates authority to the Strategic Director, City Housing to negotiate with DLUHC to maximise the level of any available SHIP grant funding against the 3 options for Birmingham but from within the overall £20m national programme, and any subsequent programme funding should there be a lack of take up nationally.
- 2.4. Authorises the City Solicitor and Monitoring Officer to negotiate, execute and complete all necessary documentation to give effect to the above recommendations.

3. Background

- 3.1. In November 2020, Birmingham began a pilot with £1.8m funding from the Department for Levelling Up, Housing and Communities (previously MHCLG) to introduce and test new arrangements and oversight of the exempt sector including setting up new multi-disciplinary teams to undertake a regime of inspections and reviews and roll out a new Birmingham Quality Standard and Charter of Rights to drive up standards for tenants.
- 3.2. Prior to the pilot, the City was seeing year on year increases in Exempt Accommodation claims, rising from 11,000 in 2017 to 21,000 in December 2020. Since our intervention work, the increase in exempt accommodation units has plateaued with the total linked to Housing Benefit claims reaching 21,826 in December 2021. While the claims may have plateaued since the pilot teams were implemented, there have been good outcomes from the property and support inspections and reviews, however there is still an increasing number of providers and properties in the city. Based on current funding and capacity, the inspection regime is operating on an eight-year cycle based on the current number of properties in the city. The current level of funding has only allowed us to have a light touch approach at the current level of funding for the sector size in Birmingham.
- 3.3. The outcomes achieved through the previous pilot and current activity is captured within the Scrutiny review into Exempt Accommodation in Appendix 2.
- 3.4. The current funded Exempt team is cross directorate and pulls together key frontline resources to form a multi-disciplined team including Social Workers to assess support quality, Community Safety, Housing, Benefits, planning and Adult Social Care to improve quality of provision through an inspection and intervention programme aligned to an accreditation scheme (Quality standards) and Charter of Rights.
- 3.5. This funding will provide the ability to retain this team for a further 2 years beyond 2022-2023 at which point ongoing activity may transition into the early intervention and prevention programme to ensure continued oversight.
- 3.6. While awaiting further details of funding as part of the Supported Housing Improvement Programme, the council agreed 1 year fixed term funding of £1.9m in order to support some continuation of the teams through 2022/23, and allow the time for the necessary national legislative and regulation changes to emerge, in order to maintain the operational teams at the capacity through the pilot, finalise our Supported Housing Strategy and deliver the recommendations from our Overview & Scrutiny review in December 2021 (see attached report). There is an expectation that these recommendations and improvements are necessary and the council requires ongoing additional funding to achieve this. There is no mainstreaming of the teams within current council resources apart from the one-off investment for 2022/23.

- 3.7. We have developed 3 funding options and will be presenting all to DLUHC to highlight the implications for each.
- 3.8. Gold is maintaining the current level of resource over 3 years up to 2025 with additional innovation around accelerating the Quality Standards accreditation, delivering our Supported Housing Strategy and improvements to Tenant and resident engagement.
- 3.9. Silver would be reduced capacity within all the pilot teams and unlikely scope for additional innovation.
- 3.10. Bronze would be a significantly scaled back approach with less oversight of inspections, scrutiny of HB claims, abandoning of the Quality Standards and lack of ability to address issues identified by local residents. More importantly, this option would impact on identifying issues around quality of support for vulnerable individuals. This will all lead to reduced credibility of both Birmingham City Council and the Department for Levelling Up, Housing & Communities. However, this approach is the only one that fits into the £2m threshold within the prospectus.
- 3.11. Initial discussions have taken place with DLUHC in regard to the above options and the implications for scaling back current resources. They have indicated that should there be a lack of take up nationally additional funding may be made available when the formal prospectus closes in September.

4. Governance

- 4.1. The current governance in regard to Exempt Accommodation activity is overseen by a Sponsor Board chaired by the Cabinet Member for Housing and Homelessness and includes other portfolio relevant Cabinet Members from Social Justice, Community Safety and Equalities, Health and Social Care and Finance and Resources. This Sponsor Board will continue to oversee the delivery of the programme if successful.
- 4.2. At an operational level there is a well established delivery group that meets fortnightly bringing together leads from across the relevant Directorates.

5. Options considered and recommended proposal

- 5.1. Not putting in an application for this funding will lead to the Council not being able to continue with the current activity and inspection work including Housing Benefit scrutiny and so lead to the potential for the Exempt sector to further grow and increase the risks to vulnerable individuals.

6. Consultation

- 6.1. Councillor Mackey and Councillor Alden have been consulted on this report.

7. Risk Management

- 7.1. Risks will be monitored through the existing governance arrangements and reported to the Exempt Sponsor Board. The previous Pilot provides clear evidence of delivery against similar grant funding using these established governance arrangements.
- 7.2. Risk management methodology will follow the City Council's standard approach as agreed with the Corporate PMO.

8. Compliance Issues

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

The proposals within this report will make a direct contribution to both Corporate and Directorate outcomes, and is an example of Birmingham taking a Bold approach, specifically it supports the Council plan priorities:

- Birmingham is a great, clean and green city to live in; We will have the appropriate housing to meet the needs of our citizens, this decision will directly support the council in driving up accommodation standards in the private sector and the in the care and support to some of its most vulnerable citizens.

8.2 Legal Implications

- 8.2.1 Local housing authorities have a statutory duty under Part 1 of the Housing Act 2004 to keep the housing conditions in their area under review with a view to identifying any action that may need to be taken by them under a number of statutory provisions. For example, if the local housing authority considers that it would be appropriate for any residential premises in their district to be inspected with a view to determining whether any category 1 or 2 hazard exist on those premises, the authority must arrange for such an inspection to be carried out. The Local Authority also has a number of duties under Part 7 of the Housing Act 1996, the Homelessness Act 2002 and the Homelessness Reduction Act 2017 to provide emergency and interim accommodation for vulnerable households, as well as a duty to provide an advisory service and to formulate a homelessness strategy.
- 8.2.2 Under S.111 Local Government Act 1972 the Council has the power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

8.3 Financial Implications

8.3.1 The level of grant being requested and breakdown of costs is contained in Appendix 3, but is summarised here

Funding (£m)	2022/23 Internal I2D	2023/24 DLUHC bid	2024/25 DLUHC Bid	3 Year Total	DLUHC Bid total
Gold Standard	1.997	2.141	2.164	6.302	4.305
Silver Standard	1.997	1.621	1.571	5.189	3.192
Bronze Standard	1.997	1.000	1.000	3.997	2.000

8.3.2 There are no direct costs to the Council, beyond the current Invest to Deliver (I2D) allocation in 2022/23, with this application as it is assumed that grant funding will cover the full cost of the activities. There is no expectation on the Council to fund the difference to make up to Gold Standard, rather the programme will reduce to fit into the funding available.

8.3.3 This funding would allow the continuation, in some form, of an existing programme, therefore costs of administration and management are already known and delivered within the costed options.

8.3.4 Reduced costs of care and support for vulnerable people, from the delivery of a supported housing programme are already included in the ongoing budgets, since this programme is already operating. Applying for the grant and continuing the programme will reduce the impact of increased demand on front line care and housing services.

8.4 Procurement Implications

8.4.1 There are no procurement implications as the grant funding will be directed to maintaining existing City Council resources to deliver oversight activity in the Exempt sector.

8.5 Public Sector Equality Duty

Regarding section 149 of the Equality Act 2010, the proposed operating model has no practices that could be considered unfair, unlawful or discriminatory within this context. The Equality Assessment (EA) that reflects the changes of this proposal will continue to be monitored and evaluated.

9 Background Documents

10 Appendices

Appendix 1 – SHIP submission

Appendix 2 – Scrutiny review report into Exempt Accommodation

Appendix 3 – Business case breakdown of costs