

Bath & North East Somerset Council					
DECISION MAKER:	Cllr Dine Romero, Leader of the Council Cllr Tim Ball, Cabinet Member for Housing, Planning & Economic Development				
DECISION DATE:	On or after 16th January 2021	EXECUTIVE FORWARD PLAN REFERENCE:			
	E 3263				
TITLE:	RULE 15 Next Steps Accommodation Programme				
WARD:	All				
AN OPEN PUBLIC ITEM					
List of attachments to this report: Appendix 1: Supported Housing Scheme Business Case Appendix 2: Platform for Life Scheme Business Case					

1 THE ISSUE

1.1 The Council's £2.1m bid to the Next Steps Accommodation Programme organised by Ministry of Housing, Communities & Local Government (MHCLG) has been successful, being capital grant of £1.633m and balance of revenue support. This funding will enable the delivery of up to 28 units of accommodation for former rough sleepers. This report seeks agreement to contract with the MHCLG and their delivery partner Homes England (HE) and to progress the delivery of the accommodation.

2 RECOMMENDATION

The Leader of the Council and the Cabinet Member for Housing, Planning & Economic Development are asked to;

- 2.1 Authorise completion of the Next Steps Accommodation Programme funding agreement with the Ministry of Housing, Communities & Local Government and Homes England;
- 2.2 Authorise new approval of the Affordable Housing Capital Programme for £2.4m, being funded by Grant awards for £1m for Governor Place and £633K Platform for Life, balance of funding from capital receipts earmarked for Affordable Housing provision.
- 2.3 Authorise the delivery of the supported accommodation as detailed in the business cases, attached in the appendices.

3 THE REPORT

3.1 On the 18th July MHCLG launched their Next Steps Accommodation Programme (NSAP). This scheme gave Local Authorities the chance to bid for funding to provide support and accommodation for rough sleepers. Following support from informal cabinet on 17th August 2020 a bid for £2.1m was submitted to MHCLG to meet the cost of the following:

1. Interim support for housed rough sleepers until 31st March 2021 (Revenue bid: £255k);
2. Platform for Life Scheme (Capital bid: £633k)
3. Supported Housing Scheme (Capital bid: £1m/Revenue bid: £220k)

3.2 In September the Council received confirmation that it was successful in the bid for interim support followed by confirmation in November that it had also been successful in the remaining parts of the bid. The Council secured the full funding requested.

3.3 The funding will unlock the following programme:

Support for Housed Rough Sleepers Until 31st March 2021

3.4 On Thursday 26th March, in response to the Covid-19 crisis, the government wrote to every local authority with a directive to house everyone by the following Sunday, known as the “everyone in” instruction. In total 69 rough sleepers were assisted in B&NES as part of this directive, including those that had to be decanted from the Manvers Street Hostel and SafeSleep provision due to social distancing rules. Of these the Council directly housed 42 in several locations across the district. The Council continues to fund support and assistance to around 30 residents in four separate Council owned buildings. This funding allows this support and assistance to continue until the end of the financial year.

Platform for Life Scheme

3.5 This is a development of the Council’s existing and very successful low-support housing model for young-people currently run in partnership with the YMCA. However, in this iteration the scheme will be orientated to former rough sleepers.

3.6 The model uses the upfront loading of capital costs to deliver a mortgage free property so that the rent, which is set at LHA rates, can be used to support the individuals and maintain the property. As such there are no ongoing revenue implications. The model typically works with up to four people sharing a property. The operating model will be amended to ensure that the Council retains ownership but with the support provided by a suitably experienced partner, such as, Julian House or similar etc.

3.7 The proposals are for two 4bed properties, although this maybe subject to amendment depending upon property availability and market conditions. The £633k of MHCLG funding secured by the bid will require £317k of support from

the Council via the Affordable Housing programme. This can be accommodated in the current programme. There are no ongoing revenue implications.

Supported Housing Scheme

- 3.8 As part of the “everyone in” instruction 23 Grosvenor Place, Bath has been used as emergency accommodation to house rough sleepers directly from the streets. The property is Council owned and contains 20 self-contained flats. It was recently handed back by the Guinness Trust who were using it as social housing for single households. It has been declared surplus to requirements by Property Services and prior to its current emergency use was being considered for disposal.
- 3.9 The successful MHCLG bid provides £1m of capital funding and £220k of revenue to renovate the building to create a tiered supported housing scheme for former rough sleepers. The scheme would be owned and maintained by the Council and with allocations overseen by the Council. However, the on-site management and security will be outsourced to a suitable and specialist partner, such as Julian House or similar.
- 3.10 The appendix provides more detail on the financial modelling associated with the scheme proposal. However, two factors of note are that the scheme is self-supporting through housing benefit eligible rents and that the business plan allows for the capital financing costs of the asset, which are shown as a rental revenue stream. This revenue stream is broadly equivalent to funding £1.6m of borrowing. In addition, the Council will retain an enhanced asset.
- 3.11 It should be noted that the bid proposal is significantly different to what is currently in use. It would no longer accept rough sleepers from the street and over time would transition to a supported housing model, where residents come having already had time to stabilise and address issues such as mental health and substance misuse. On-site support would continue, and security and concierge service would remain in place. People would be supported to develop independent living skills and move on into long-term accommodation.

4 STATUTORY CONSIDERATIONS

- 4.1 The Council has a statutory duty to provide temporary accommodation for eligible homeless households under the Housing Act 1996 and other relevant legislation.
- 4.2 This decision is being dealt under Urgency Rule 15 (Constitution 4B Access to Information Rules) to comply with MHCLG/Homes England grant conditions.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1 The interim revenue support for rough sleepers until the end of the financial year will significantly reduce the revenue pressure created by the “get everyone in” instruction by Government.
- 5.2 The Platform for Life scheme will require around require £317k of support from the Council via the Affordable Housing programme. This can be accommodated in the current programme and the Capital Strategy Group has agreed the

programme expenditure. There are no further and ongoing revenue commitments other than the usual contract management role which will be absorbed by Housing Services.

- 5.3 The supported housing scheme business case demonstrates that the scheme is cost neutral to the Council, with housing benefit eligible rent covering the ongoing management, maintenance and support costs. The initial higher support costs, until the scheme moves to more settled accommodation, will be covered by the MHCLG grant as will renovation and refurbishment costs. The business case also includes an allowance of £200k from the Council via the Affordable Housing programme. The Capital Strategy Group has agreed the programme expenditure.
- 5.4 It should be noted that Decision E3181, made in December 2019, agreed for a reverse premium to the former tenant on completion of the surrender. This remains the case and is allowed for in the business case with the Acquisition Financing costings, borrowing costs being supported from long term revenue rentals.

6 RISK MANAGEMENT

- 6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

7 EQUALITIES

- 7.1 An Equalities Impact Assessment has not been undertaken on the decision to proceed with the bid programme. However, the delivery of supported housing has a positive impact on equality. It provides housing for those residents who are unable to compete on the open-market and may otherwise be forced to sleep rough on the streets. Health inequalities can be addressed with greater impact than would otherwise be possible. Just as importantly it also provides support and assistance to equip these residents with the skills, training and resilience to transition to permanent housing, either in the private or social sector.

8 CLIMATE CHANGE

- 8.1 At this stage it is unclear what energy efficiency improvements can be made to the schemes. However, the business plan allows significant funding to enable us to test the boundaries of what can be achieved on a Grade 1 Listed Building.

9 OTHER OPTIONS CONSIDERED

- 9.1 The only other option is not to proceed with the schemes. However, this would mean that the Council would lose the funding and the ability to deliver around 28 units of much needed supported accommodation for former rough sleepers.

10 CONSULTATION

- 10.1 The s151 Officer and the Monitoring Officer have been consulted on this report. In addition the ward Councillors for the proposed supported housing scheme have also been consulted. Local residents have been notified of the proposal and invited to contribute to the development of the management and support contract.

Contact person	Graham Sabourn, Head of Housing. (Tel: 01225 477949)
Background papers	None.
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