

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	4874
Author:	Leon McLean
Department:	Growth and City Development
Contact:	Leon McLean (Job Title: Partnership Officer, Email: leon.mclean@nottinghamcity.gov.uk, Phone: 01158765055)
Subject:	Acceptance and spend of grant from the Department for Levelling Up, Housing & Communities - Supported Housing Improvement Programme
Key Decision (decision valued at more than £1million):	Yes
Key Decision (decision affects 2 or more wards):	Yes
Total Value:	£872,419 (Type: Revenue)
Decision Being Taken:	<p>It is recommended that Nottingham City Council1) Accepts grant funding from the Department for Levelling Up Housing & Communities (DLUHC) covering Financial Years 2022-23 / 2023-24 / 2024-252) Supports the creation of a multi-disciplinary team within Nottingham City Council (subject to the cessation of Nottingham Revenue & Benefits as a separate organisation)3) Supports the ethos of the Supported Housing Improvement Programme4) Works in partnership with DLUHC to meet the objectives as set out in the prospectus which the Council's expression of interest was based upon5) Approve the spend of monies: to select a provider to deliver a Housing Needs Assessment within financial year 2022-23 at the value of £60k by means of an open quotation process6) Delegate authority to the Director of Housing (NCC) to establish a contract with the successful provider based on the outcome of the quotation process and to sign and award the contract7) Delegate authority to the Director of Housing (NCC) to oversee the programme and to make approvals within their remit and authority</p>

Reasons for the Decision(s)

Nottingham City Council has been successful in its expression of interest to the Department for Levelling Up Housing & Communities (DLUHC), for funding to drive-up the standards of accommodation and support within the supported housing accommodation sector. Specifically, a focus will be placed upon the non-commissioned sector which is typically delivered in the private rented sector - so called "Exempt Accommodation". Supported housing accommodation provides temporary housing for accommodation for: older people, people with learning disabilities, individuals and families at risk of homelessness, domestic abuse survivors and others with support needs. Locally and nationally, local authorities are seeing a number of non-commissioned supported accommodation providers house ex-offenders, or street homeless individuals, not always known to statutory or public bodies. Generally speaking, supported accommodation providers house citizens who can have mental health issues, substance misuse issues, a past history of offending or other multiple needs. Substantial amounts of public funds are being spent on provisions in an almost entirely unregulated sector. Organisations providing supported accommodation, approach Nottingham Revenues and Benefits requesting consideration for one or a number of properties provided by landlords to be "supported exempt accommodation". Exempt status has a number of effects including that Housing Benefit may be paid at a higher rate than for general needs housing. Nottingham Revenue & Benefits is required to scrutinise the rent levels, as well as quantifying support being provided, understanding property ownership alongside a number of other matters in order to determine if the scheme meets the conditions for exempt status. Locally, concerns have related to:- minimal / lack of support, lack of organisational experience to manage the particular cohort, avoidance of licensing scheme requirements, reports of ASB, concerns around coercive control of individuals finances and general operating practices of some supported accommodation providers. Following concerns raised locally and nationally, DLUHC released a guide titled "Supported Housing: National Statement of Expectations" in October 2020, which Nottingham City Council contributed to. In same month DLUHC also initiated a £3m pilot in 5 LA areas initially for 12 months, extended for a further 6 months. The aim of the pilot was to test different approaches to scrutinising standards in supported housing that are intended to "improve the quality of non-commissioned provision". Pilots were broadly a success with positive outcomes including: development of inspection regimes, enhanced scrutiny of costs and a reviewing regime to ensure support is relevant. Following the pilot projects, DLUHC invited bids for funding further projects and have committed to funding of £872,619, in respect of a bid from Nottingham City, which will fully fund the cost of the project for the duration of the three year programme (2022-23, 23-24 & 24-25). Should the Council want to continue with the service, after the Supported Housing Improvement Programme has ended, NCC can continue to do so, but must also provide full funding. Funding will support the Council to meet the below objectives as set out by DLUHC including: 1) Establish a multi-disciplinary team to tackle local quality and value for money issues in a holistic and joined up way 2) Review support arrangements, including safeguarding 3) Carry out property inspections and enforcement of accommodation standards 4) Scrutinise new and existing Housing Benefit claims 5) Develop a standardised local approach to managing new provision 6) Develop a strategic plan for citizens accommodated in short-term supported housing (based on a comprehensive assessment of local need and supply) To develop the strategic plan, a Supported Accommodation Needs Assessment will be undertaken. The aim is to use a maximum of £60k to source a provider to carry out the needs assessment within financial year 2022-23. A successful provider will be chosen following an open quotation process. The assessment will meet the requirement of the DLUHC prospectus. The programme will continue to be developed in partnership with key stakeholders including: Safer Housing, Nottingham Revenues & Benefits and Customer Services.

Other Options Considered:

Not to accept the funding, however this option was discounted due to the positive impact the programme can have locally and nationally, alongside it being fully funded.

Background Papers:

N/A

Published Works:

N/A

Affected Wards:

Citywide

Colleague / Councillor Interests:

None.

Consultations:

Date: 29/11/2022

Ward Councillors: Toby Neal

Councillor Toby Neal supports the programme

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

The Supported Housing Improvement programme may assist to meet objectives of the Crime and Disorder Act by undertaking property inspections and identifying any ASB issues within supported accommodation settings and working with the landlord to manage / resolve.

Equality:

EIA not required. Reasons: No change to existing policy or procedure

Relates to staffing:

Yes

Decision Type:

Leader's Key Decision

Subject to Call In:

No

The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The Chair of the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the decision proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.

Person Consulted: Councillor Sam Gardiner

Consultation Date: 04/01/2023

The reason for Housing Strategy & Partnership developing a Leaders Key decision for the acceptance of funding is due to the limited timescales of the funding allocation and the grant requirement that £76,000 of the funding is spent in this financial year. The Leaders Key Decision will be requesting the acceptance of a grant for the amount of £872,419 from the Department for Levelling Up Housing & Communities (DLUHC). The funding will support the creation of a multi-disciplinary team helping to improve the standard and quality of non-commissioned supported housing in Nottingham City.

Advice Sought:

Legal, Finance, Procurement, Human Resources

Legal Advice:

In accepting the grant funding, the Council will need to comply with the conditions of grant. Whilst the Council can support the ethos of the Supported Housing Improvement Programme, the Council must not fetter its discretion in decision-making.

The initial creation of the new team will need to be on a clear fixed term basis and guidance from HR is required to ensure that any risks to the Council in the Programme running for 3 financial years are mitigated as far as possible. It is understood that whilst the Programme runs for 3 financial years, the team will only operate between April 2023 and March 2025, which should mean this risk is addressed, if those dates are accurate - colleagues in HR are advising.

Consideration has been given to whether any TUPE rights may be claimed by employees of Nottingham Revenues & Benefits, subject to the proposed job role descriptions, scope, etc. by colleagues in HR who have advised that TUPE is not an issue.

It is not clear what options are available should the team find issue with provision it inspects or monitors. It is assumed that the ultimate sanction is the removal of exempt status but it is not clear whether there is a prescribed process that would need to be followed, if there are appeals options or whether the team would need to create a process (potentially including an appeal stage)? Legal Services can support the creation of a process (if required).

In selecting a provider to deliver a Housing Needs Assessment within financial year 2022-23 at the value of £60k, the Council must comply with the Public Contract Regulations 2015 and, in respect of this and other recommendations, comply with its own constitution.

Advice provided by Anthony Heath, Senior Solicitor, Contracts and Commercial team, 11th January 2023

Finance Advice:

This decision is to accept funding from DLUHC to the value of £872,419 spanning 3 financial years. The main funding will be for the creation of a new team for 2 years (additional resources, no match funding required) that will support the Council's efforts to scrutinise happening within the non-commissioned support accommodation sector, and chiefly improve accommodation and support for vulnerable citizens of Nottingham City.

The costings have been based on the NCC pay grades from 22/23 to include pension deficit and apprenticeship levy and assumes a 3% uplift each year to ensure there is no financial risk to NCC. Exit costs have also been factored in taking into consideration the disbanding of the team at the end of the project. As this is 100% grant funding, there is to be no financial risk to NCC.

A separate cost centre has been set up to ensure the integrity of the income and expenditure information to assist in detailed budget monitoring. As this spans 3 financial years it is essential for finance colleagues to ensure the correct accrual procedure is applied in line with the circumstances in consideration of the terms and conditions of the grant and in line with any audit requirements. The accruals will be handled via NCC year end procedures ensuring adequate working papers and evidence is provided.

The funding will be paid at the beginning of each financial year except for 22/23. This payment was allocated to NCC in Autumn 2022. The amounts are as follows:

2022-23	£76,000
2023-24	£420,240
2024-25	£376,179

DLUHC have confirmed that as long as work is under way and committed, spend can be carried over without the pressure to return funding. However, all funding must be used for the purpose in which it has been awarded.

Advice provided by Michelle Pullen (Commercial Business Partner) on 09/01/2023.

Procurement Advice:

The procurement of Housing Needs Assessment within financial year 2022-23 at the value of £60,000 will be by a quotation process undertaken by the client department in compliance with the requirements of EU and UK Procurement Regulations (Light Touch Regime). Procurement will provide support as required for this process. The use of the grant funding from the Department for Levelling Up Housing & Communities (DLUHC) covering Financial Years 2022-23 / 2023-24 / 2024-25) should comply with any specified grant conditions and suitable agreements should be in place to ensure compliance and satisfactory performance.

Advice provided by Julie Herrod (Procurement Officer) on 09/01/2023.

HR Advice:

Please see attached HR comments (RA) Advice provided by Raj Athwal (HR Consultant) on 06/01/2023.

Advice documents: 2023.01.06 grant funding from the Dept for Levelling Up Hsg & Com (DLUHC) (RA HR comments).docx

Signatures:

David Mellen (Leader/ PH Strategic Regeneration Communications)

SIGNED and Dated: 28/02/2023

Sajeeda Rose (Corporate Director of Growth & City Development)

SIGNED and Dated: 22/02/2023