

Executive Board – 19th December 2023

Subject:	Homelessness Grants
Corporate Director(s)/Director(s):	Sajeeda Rose, Corporate Director for Growth and City Development Kevin Lowry, Strategic Director of Housing
Portfolio Holder(s):	Councillor Jay Hayes, Portfolio Holder for Housing
Report author and contact details:	Rachael Harding rachael.harding@nottinghamcity.gov.uk
Other colleagues who have provided input:	Michelle Pullen, Senior Commercial Business Partner Julie Herrod, Lead Procurement Officer Jo Pettifor, Category Manager Sarah O’Bradaigh, Senior Solicitor Leanne Sharp, Senior HR Consultant
Subject to call-in:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Key Decision:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Criteria for Key Decision:	
(a)	<input checked="" type="checkbox"/> Expenditure <input checked="" type="checkbox"/> Income <input type="checkbox"/> Savings of £750,000 or more taking account of the overall impact of the decision
and/or	
(b)	Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital If Capital, provide the date considered by Capital Board Date:
Total value of the decision:	£6,977,947
Section 151 Officer expenditure approval	Has the spend been approved by the Section 151 Officer? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Spend Control Board approval reference number: 263
Wards affected:	All
Date of consultation with Portfolio Holder(s):	14/11/2023
Relevant Council Plan Key Outcome:	
Green, Clean and Connected Communities	<input type="checkbox"/>
Keeping Nottingham Working	<input type="checkbox"/>
Carbon Neutral by 2028	<input type="checkbox"/>
Safer Nottingham	<input type="checkbox"/>
Child-Friendly Nottingham	<input type="checkbox"/>
Living Well in our Communities	<input type="checkbox"/>
Keeping Nottingham Moving	<input type="checkbox"/>
Improve the City Centre	<input type="checkbox"/>
Better Housing	<input checked="" type="checkbox"/>
Serving People Well	<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):	
<p>There is a national crisis in homelessness that has seen a rise across the country in regard to homeless presentations, use of “bed and breakfast” for temporary accommodation and increased incidents of rough sleeping. The current homelessness situation in Nottingham is exacerbated by broader features of the national policy context around housing and the housing market. A recent report giving further detail was heard at the Overview and Scrutiny Committee in October 2023.</p> <p>Nottingham City Council is seeking to address the pressure through a wide review of homelessness including designing and delivering a major restructure within the statutory service</p>	

to provide capacity to undertake active preventative work and reduce the numbers of people becoming homeless, as well as increasing investment in temporary accommodation in the short term to manage demand.

However, to support the delivery of our Homelessness Prevention and Rough Sleeping Strategy, Nottingham City Council is also required to maximise government grant opportunities and in the past 5 years has successfully applied to every available homelessness government funding programme and has achieved one of the highest combined awards outside of London.

This report concerns the acceptance of a number of these grants and seeks agreement to accept the grant income and spend it in accordance with the defined programmes, developed in adherence with strict grant conditions that the spend is for homelessness prevention activity and/or directly supporting a reduction in rough sleeping. The report also seeks permission for Nottingham City Council budgetary spend on an interim arrangement to maintain the compliant procurement of emergency temporary accommodation pending the establishment of an ongoing arrangement.

Does this report contain any information that is exempt from publication?

The report Appendices A-E are exempt from publication under paragraph number 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to employees and commissioned services and, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. It is not in the public interest to disclose this information because the issue affects individuals and companies and contains commercially sensitive information which could impact the council's ability to obtain value for money during tender processes.

Recommendation(s):

1. Accept all 2023/24 and 2024/25 Homelessness Prevention Grant allocations and agree the programme of spend for 2023/24, outlined at Appendix A
2. Accept all 2022-2025 Rough Sleeping Initiative grants for spend upon the programme agreed by the Department for Levelling Up, Housing and Communities, as outlined at Appendices B, C and D.
3. Accept all 2022-25 Accommodation for Ex Offenders (AfeO) grants for spend against the programme agreed by the Department for Levelling Up, Housing and Communities, outlined at Appendix E.
4. To note that Call off of an interim order from the YPO Travel Management Solutions 2 framework at the value of £1,284,489 will be made to ensure the continuation of arrangements to secure emergency temporary accommodation for homeless households as detailed at point 2.8, and to note that this expenditure has been approved by the Section 151 Officer.
5. Delegate authority to the Corporate Director for Growth and City Development to adjust the programmes of spend for these grants, within their financial envelopes and to accept future grants ringfenced for Homelessness and approve the programmes of spend in agreement with the Department for Levelling Up, Housing and Communities as required.

1. Reasons for recommendations

- 1.1 There has been a significant increase in homelessness and rough sleeping nationally and locally. This has been driven by a range of factors including the undersupply of housing, increased private sector rents, the failure of local

housing allowance rates to keep up with rent rises, increased cost of living pressures and an increase in mortgage costs. These problems have been further exacerbated locally by low average wages and high levels of deprivation. Nottingham City Council has been proactive in responding to these pressures, making best use of available funding and has prioritised efforts to prevent homelessness.

- 1.2 Homelessness pressures are significant in Nottingham. There are an average of 126 new applications to Nottingham City Council Housing Solutions per week from homeless households and the city has over 2,540 open homelessness cases which is on average over 165 cases per statutory officer. There are around 470 families in temporary accommodation and 156 in hotels or nightly paid provision. Nottingham City Council commissions over 490 units of supported accommodation for single homeless people, 50 units of accommodation for rough sleepers and over 60 Housing Led properties, all of which are full with a further 29 single people in hotels as temporary accommodation and 26 in the Nottingham Winter Shelter.
- 1.3 Nottingham City Council invests £1.186m in the statutory operational and strategic service (and from this financial year has agreed further investment of £0.904m) as well as £4.2m in housing related support community sector services (including community based support and accommodation based services to prevent and respond to homelessness and rough sleeping). In 2023/24 the council has committed £4.36m to provide temporary accommodation, through a range of measures including commissioned services and via a booking system for short term placements. Despite this, due to the reliance on hotels to meet statutory duties to provide temporary accommodation, there is a projected budget overspend in 2023/24.
- 1.4 Nottingham City Council has developed a plan to address the overspend and a Best Value review of homelessness is underway. However, Nottingham City Council must seek to maximise any government grant opportunity in order to invest in homelessness staffing and services to help meet local need and to achieve the Nottingham City Council plan aim to reduce rough sleeping in the city and deliver the Nottingham Homelessness Prevention and Rough Sleeping Strategy.
- 1.5 Grant funding is also critical in supporting the council to fulfil statutory duties and responsibilities. The Housing Act 1996, Part VII as amended by the Homelessness Act 2002 and the Homeless Reduction Act 2017, sets out the council's statutory duties to prevent and relieve homelessness and provide temporary and settled accommodation. Furthermore, the cross government strategy Ending Rough Sleeping For Good places a requirement on local authorities to work with the Department for Levelling Up, Housing and Communities to reduce street homelessness and minimise the risk of rough sleeping.

2. Background (including outcomes of consultation)

- 2.1 The government allocates an annual Homelessness Prevention Grant (HPG) issued to support councils to meet their statutory homelessness duties. The HPG was introduced in 2021/22 to replace the Flexible Homelessness Support Grant. The HPG is ringfenced for spend on activity that delivers the following priorities:

- To fully enforce the Homelessness Reduction Act and contribute to ending rough sleeping by increasing activity to prevent single homelessness
- Reduce family temporary accommodation numbers through maximising family homelessness prevention
- Eliminate the use of unsuitable bed and breakfast accommodation for families for longer than the statutory 6-week limit

- 2.2 The programme of spend for the Homelessness Prevention Grant 2023/24 is available at Appendix A.
- 2.3 In order to support councils to deliver the government requirement to end rough sleeping in the local area, the government launched the Rough Sleeping Initiative (RSI) fund in 2018 and invited local authorities to develop proposals which included interventions that met local need and were reflective of the scale of the issue in the area. The process required bids to be prepared and discussed with specialist DLUHC advisers before outcomes were decided by a panel and signed off by the Housing Minister. Nottingham was successful in bidding to the fund in 2018/19 (DD3299), 2019/20 (DD3748), 2020/21 (DD3927) and 2021/22 (DD4356). In 2022, the government relaunched their rough sleeping strategy and announced an extension of the RSI fund spanning a three year duration from 2022-25. Nottingham was successful in a bid and the grant programme was agreed at the Nottingham City Council Commissioning and Procurement Executive Committee in May 2022. Government has since expanded funding for rough sleepers with additional and targeted bidding rounds, move on and prevention funding and a programme focussing on accommodation for ex-offenders.
- 2.4 The programme of spend for the Additional Rough Sleeping Initiative (RSI) 2022/23 is available at Appendix B
- 2.5 The programme of spend for the Targeted Rough Sleeping Initiative 2023/24 and the reprofile for 2023-25 is available at Appendix C.
- 2.6 The programme of spend for the Move On and Prevention Rough Sleeping Initiative is available at Appendix D.
- 2.7 The programme of spend for the Accommodation for Ex-Offenders funding is available at Appendix E.
- 2.8 When required, the council secures short term temporary accommodation arrangements via a booking system in order to ensure value for money and provide auditable safeguards. The current contract ended on 30 November 2023 and the council requires an interim arrangement from 01 December 2023 to 31 January 2024 to enable continued fulfilment of statutory duties to provide temporary accommodation to homeless households. This will be achieved via a temporary order called off from the YPO Travel Management Solutions 2 framework pending the arrangement of an ongoing compliant route to securing emergency temporary accommodation thereafter.
- 2.8 Where this decision seeks permission to retrospectively accept and spend grant, the reason that it could not be taken in advance of the grant period is primarily because of the quick timescales given by government to bid, the short-term nature of the funding, delayed award confirmation and lengthy embargoes which often surpass mobilisation periods. Additionally, because of the multiple grants there can be dependencies on each other which require understanding of the total funding landscape before fully agreeing individual spend programmes.

Furthermore, the grant programmes also need to be adjusted in line with presenting need and current context, leading to confirmation within or after the grant period.

3. Other options considered in making recommendations

- 3.1 Not accepting the grant funding. This was rejected as whilst the grant allocation and award does not currently sufficiently cover the cost of meeting local need, not accepting the grant award allocated and awarded would mean it is not possible to effectively deliver the interventions focussed on preventing homelessness and rough sleeping which would extend the pressure on council budgets.
- 3.2 Not spending the grant funding according to the prescribed programme of spend. This was rejected because it is not an option to accept the grant and use it for an alternative purpose within the council as the allocation is ringfenced for use on meeting statutory homelessness duties and a condition of the grant award is to use it according to the programme agreed by DLUHC.

4. Consideration of Risk

- 4.1 The Head of Housing Solutions and the Homelessness Strategy Manager regularly meet with allotted DLHUC advisers regarding delivery of the grant funded programmes and to ensure compliance with the grant conditions.
- 4.2 A budget monitoring and management regime has been established to enable tracking of spend against the grant and to inform the report to support the declaration of spend at the end of the financial year. Finance business partners are aware of this in order to support the process of obtaining section 151 officer sign off.

5. Best Value Considerations, including consideration of Make or Buy where appropriate

- 5.1 The council is using the grants to fund a number of Nottingham City Council staffing posts which are required to meet statutory homelessness duties. The posts are set within a structure that has recently been redesigned to achieve Best Value by supporting increased prevention and reduce temporary accommodation demand.
- 5.2 The grant will also fund a number of commissioned services for delivery by community sector partners. Ongoing consultation throughout the implement of the Nottingham Homelessness Prevention and Rough Sleeping Strategy determined the need for a mixed economy of delivery to maximise accessibility of services and achieve effective outcomes. Service specifications are created with input from a cross-sector partnership and commissioned via the Homelessness Procurement Framework to ensure Best Value and quality assurance for the council.
- 5.3 The services are designed as part of a wider system of services spanning homelessness prevention, identification, engagement, support and resettlement. A range of services that are provided or commissioned by other public sector bodies are interlinked within this system to ensure that Best Value is achieved by their

delivery complementing the aims of the Nottingham Homelessness Prevention and Rough Sleeping Strategy - particularly around addressing the causes of homelessness.

- 5.4 A comprehensive contract management regime is established to ensure that grant funded services are delivering on outcomes with oversight from a dedicated coordinator and under the scrutiny of DLUHC, the programme is reviewed every 6 months and activity redeployed, reduced or ended where it is not effectively achieving outcomes.

6. Finance colleague comments (including implications and value for money/VAT)

- 6.1 This decision seeks the approval to receive and spend a number of grants awarded to the Council via the Housing Strategy service. All have been awarded by The Department of Levelling Up, Housing and Communities.

- 6.2 1 – Homeless Prevention Grant awarded £1,388,906 for 23/24 with a further top up of £411,897 and a further £1,457,668 for 24/25. This is required in order for the Council to continue with the Homelessness Prevention and continue working towards implementing the Homelessness Reduction Act. This decision seeks the approval to receive the funding for both years. This decision also requests permission to spend the allocation for 23/24 as detailed in the schedule of planned spend in **appendix A**. It has been aligned for the purpose of the terms of the grant

2 – Rough Sleeping Initiative approval to receive retrospectively the additional Rough Sleeping Initiative allocation grant 2022/23 of £293,474 for spend upon the programme agreed by DLUHC. The detailed spend attached in **appendix B**. Funding for the Rough Sleeping Initiative is strictly ring fenced.

3 – Targeted Rough Sleeping Initiative – Approval to receive and spend £811,238. The funding for the Rough Sleeping Initiative is strictly ring fenced to be spent on Rough Sleeping Initiatives and in accordance with the appendix of spend as detailed in **appendix C**

4 - Move On and Prevention Rough Sleepers Initiative 2023/24 grant of £416,184. As above, this is strictly ring fenced and is to be spent as detailed in **appendix D**

5 - Accommodation for Ex Offenders– approval to retrospectively to receive and spend grants of £25,958 and £94,017 and accept the grant of £794,116 as detailed in **appendix E**

- 6.3 All above grants are subject to terms and conditions and adherence to these will be monitored by the relevant colleagues in Homelessness Strategy with support from their respective finance colleagues. Each separate grant has its own ring fenced cost centre to ensure clarity and transparency to support sound monitoring and reporting. The spend and forecasting will be monitored regularly as part of the usual Nottingham City Council forecasting process.
- 6.4 The decision does also seek to delegate authority to the Corporate Director of Growth and City Development to adjust the remit of spend or re-invest any underspend on services, but this must be in agreement with the Department

for Levelling Up, Housing and Communities and remain within the funding envelope for each specific grant.

- 6.5 There are no base budgets for any of the above, the provision for each is provided entirely through grants.
- 6.6 Any grants that remains unspent but committed will be treated appropriately at the year end. It is not envisaged that any grant will be unspent with a view to paying anything back to the Department for Levelling Up, Housing and Communities.
- 6.7 To approve the spend of £1,284,489 to ensure the continuation of arrangements to secure emergency temporary accommodation for homeless households. The spend for temporary accommodation has been forecast for the entire year, last updated and reported during the period 6 monitoring. It continues to be forecast on a weekly basis to ensure the forecast does not worsen significantly, although it is clear that costs this year are substantially higher than first reported in period 2

Comments provided by Michelle Pullen, Senior Commercial Business Partner (Growth & City Development) 24th October 2023

7. Legal colleague comments

- 7.1 Grant funding will be subject to grant funding conditions which if not complied with, could be subject to clawback from the grant funder. Any grant funded posts must be engaged solely on the homelessness prevention programme for which the grant funding was secured.
- 7.2 A short term direct award to Click Travel through an established framework agreement (from 1st December 2023 to 31 January 2024) will enable the council to meet its statutory duty to provide temporary accommodation to homeless citizens in Nottingham whilst a procurement exercise is undertaken to secure these services in the longer term.

S O'Bradaigh, Senior Solicitor 23-11-23

8. Other relevant comments

***Procurement comments** provided by Julie Herrod, Lead Procurement Officer 25th October 2023 and Jo Pettifor, Category Manager – People, 22nd November 2023*

- 8.1 This decision relates to the receipt and expenditure of the Homelessness Prevention Grant funding at £1,388,906 (2023/24) with a further top up of £411,897, and £1,457,668 (2024/25) from the Government Department of Levelling Up, Housing and Communities (DLUHC), the Additional Rough Sleeping Initiative 2022/23 grant of £293,474, the Targeted RSI 2023-25 grant of £811,238, the Accommodation for Ex-Offenders grants of £25,958 and £94,017 (and to accept the grant of £794,116 against this programme), and the Move On and Prevention RSI 2023/24 grant of £416,184.
- 8.2 All spend is as agreed by DLUHC and in the use of this funding for each programme the grant conditions set out by DLUHC should be complied with.

- 8.3 A framework of providers of services was procured and established in April 2023 to provide a compliant mechanism for contracting for the community sector services delivered under this programme. This process has enabled the appointment of suitably qualified and experienced providers and ensures best value for money in the delivery of these services.
- 8.4 An interim award of contract to Click to 31st January 2024 will ensure continuity of this essential service provision while the establishment of an ongoing arrangement for emergency accommodation is completed. The award will be made through a compliant framework call off, supported by the Procurement Team.

***HR comments** provided by Leanne Sharp, Senior HR Consultant 24th October 2023*

- 8.5 This proposal is to accept the Homelessness Prevention Grant to support and develop the work undertaken by Housing Solutions to undertake the statutory duties enforced by the Homelessness Reduction Act. The aim of the programme and the work outlined in the appendices is to look to increase activity to prevent homelessness within the City.
- 8.6 Service re-design activity has already been underway with a new structure implemented from September 2023. This has involved reshaping the service and looking at the creation of a number of positions outlined in appendix A alongside the extension of fixed term contracts within the structure to 31st March 2025.
- 8.7 All job descriptions have been subjected to the job evaluation process and grading outcomes have been confirmed. Recruitment for the positions has been obtained in light of the vacancy freeze implemented within the Council. Appropriate business cases were submitted through the recruitment portal and the vacant positions were advised with effect from 4th October 2023. Recruitment activity has been staggered to support with management capacity to undertake the relevant actions.
- 8.8 The decision has been for recruitment to be undertaken for the majority of posts on a permanent contract as employees will have accumulated over 2 years continuous service and therefore will have accumulated employment rights at that time.
- 8.9 As part of the service re-design activity, details were provided to management in terms of the recruitment activity and processes, potential exit strategies for all fixed term contracts alongside the training and development required for new postholders. The figures quoted include the salaries plus on costs as well as a nominal amount for each post for redundancy contingency.
- 8.10 As stated in this report, the funding cannot be used for any other purpose. HR is supportive of the proposal to accept the grant, as this will enable NCC to plan for a future delivery model within which the function of the posts can be sustained.

9. Crime and Disorder Implications (If Applicable)

- 9.1 N/A

10. Social value considerations (If Applicable)

- 10.1 Homelessness is detrimental to health and wellbeing, can impact on crime and disorder and the economy. Investment in services to prevent and respond to homelessness will change lives for the better by tackling social exclusion and deprivation, financial hardship and health inequalities.
- 10.2 Social value was assessed as a criteria for registration on the Homelessness Procurement Framework, from which all grant funded services are commissioned.
- 10.3 The grant funding enables the delivery of around 50 full time equivalent staffing posts in the city.

11. Regard to the NHS Constitution (If Applicable)

11.1 N/A

12. Equality Impact Assessment (EIA)

12.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required to accept the funding because the Homelessness Prevention and Rough Sleeping Strategy has an EIA covering the initiatives this grant funding will support. Additionally, the Homelessness Procurement Framework, which will be used to call off services commissioned through this grant funding, has a further EIA.

13. Data Protection Impact Assessment (DPIA)

13.1 Has the data protection impact of the proposals in this report been assessed?

No



A DPIA is not required because this decision does not include the processing of any personal data. Any services commissioned as a result of this grant funding will be sourced via the Homelessness Procurement Framework which has a DPIA.

14. Carbon Impact Assessment (CIA)

14.1 Has the carbon impact of the proposals in this report been assessed?

Yes



Attached as Appendix F, and due regard will be given to any implications identified in it.

15. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

15.1 None

16. Published documents referred to in this report

- 16.1 Nottingham City Council Delegated Decision 3299 (RSI 2018/19)
- 16.2 Nottingham City Council Delegated Decision 3748 (RSI 2019/20)
- 16.3 Nottingham City Council Delegated Decision 3927 (RSI 2020/21)
- 16.4 Nottingham City Council Delegated Decision 4356 (RSI 2021/22)
- 16.5 Nottingham City Council Commissioning and Procurement Executive Committee Meeting Minutes 10 May 2022
- 16.6 Nottingham City Council Overview and Scrutiny Committee Public Reports Pack Homelessness and Rough Sleeping 16 October 2023