

CABINET (HOUSING) COMMITTEE

22 MARCH 2016

PREVENTING HOMELESSNESS FUND

REPORT OF ASSISTANT DIRECTOR (CHIEF HOUSING OFFICER)

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RECENT REFERENCES:

CAB2549 – Preventing Homelessness in Winchester, 27 March 2014

OS121- Outcome and Recommendations of the Homelessness Informal Scrutiny Group, 23 March 2015

CAB2747(HSG) - Preventing Homelessness Strategy Update 30 November 2015

EXECUTIVE SUMMARY:

This report seeks approval for proposed expenditure of the DCLG Homelessness Prevention Grant (including the Earmarked Reserve) and the proposed remaining expenditure for the Gold Standard Programme through the National Practitioner Support Service (NPSS) (including the Earmarked Reserve).

Within its funding from Central Government, the Council receives amounts which are identified to be utilised for homelessness prevention and this report sets out the income and expenditure proposals for 2016/17 and projections for a further two years.

RECOMMENDATIONS:

That:

1. The General Fund spending plans for 2016/17 and associated releases from the Homelessness Prevention Earmarked Reserve as set out in Appendix 1 to the Report be approved.
2. The additional provision set out in the Report to fund support to residents of Milford House be approved, subject to the property being purchased (in accordance with the approval by Council in February 2016).
3. That the remaining uncommitted funds from the original Gold Standard grant, of up to £642,500, be transferred to East Cambridgeshire District Council with immediate effect.

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1 Introduction

- 1.1 As part of the annual revenue support grant, the Government make an additional specific additional provision to support homelessness prevention work. Whilst not “ring-fenced”, the City Council has to date allocated all of this provision to fund homelessness services and initiatives and this report recommends that this continues for 2016/17.
- 1.2 For 2016/17, the City Council has received £225,411. This includes an additional £115,000 to support the work of the national Gold Standard programme.
- 1.3 This report seeks approval for the proposed use of the Homelessness Prevention Grant (including Earmarked Reserve) and provides an overview of the current spending priorities to address emerging homelessness trends and challenges.
- 1.4 There is no sign in the short term of the pressures on the housing options service reducing, and the impact of measures introduced through the Housing and Planning Bill and Welfare Bill is likely to add to those pressures.
- 1.5 Early intervention and prevention of homelessness is the key theme within the Preventing Homelessness Strategy and Action Plan 2014-2019. Officers continue to focus on delivering tailored solutions to reduce homelessness presentations across the District in partnership with statutory and voluntary agencies.
- 1.6 Section 2 provides some explanation of the proposals for budget spend of the Homelessness Prevention Grant for 2016/17 (attached as Appendix 1).

2 National Gold Standard Programme for Homelessness Prevention

- 2.1 Since its inception, the City Council has hosted the national Gold Standard programme which promotes good practice to all local authorities. Whilst the Council’s own Housing Options service has directly benefited from this hosting arrangement, the lead officer is no longer employed by the Council and it is recommended that the “lead” hosting role, including responsibility for the programme budget and delivery, be transferred to East Cambridgeshire District Council with immediate effect. The City Council will continue to host some of the National Practitioner Support Service (NPSS) team which

delivers the programme, funded by the additional Homelessness Prevention Grant funds detailed in 1.2 above.

- 2.2 In its hosting role, the City Council applied for the original and subsequent grants (totalling £1,612,218), appointed lead advisors and was officially credited as the “host” of the programme, in partnership with the National Homelessness Advice Service and Shelter (neither of who remain directly involved) . Whilst it will continue to host some staff along with other councils across the country, it will no longer be the official “host authority” nor will it administer the remainder of the grant. It will remain a programme partner but the official responsibility for programme delivery will move to East Cambridgeshire District Council.

3 Homelessness Prevention Grant

- 3.1 The table at Appendix 1 shows the forecast spend on homelessness prevention over the current financial year 2015/2016. Proposals are also made for allocating the Homelessness Prevention Fund for 2016/17, the table also includes the homelessness prevention earmarked reserve and shows how that will be used to support spending proposals.
- 3.2 Homelessness Prevention Grant is shown as a visible line of funding and received by the Council within its un-ring-fenced Settlement Funding Assessment Grant. As stated in paragraph 1.2, the City Council’s allocation includes an additional £115,000 to reflect its direct involvement in the Gold Standard programme. The past few years have seen significant reductions in central government funding and current government allocation projections show that Winchester will not receive any Revenue Support Grant from 2018/19 onwards. On this basis, there needs to be further review of exactly how homelessness prevention is funded in the future and whether or not to continue to ring-fence this grant within the Homelessness Prevention earmarked reserve. It is proposed that this review should commence in the summer of 2016 in order to feed into the budget setting process for 2017/18.
- 3.3 The following notes explain some of the key elements of the proposed spending plans (attached as Appendix 1)
- 3.4 **Employment costs for the NPSS:** As mentioned the core funding for the Gold Standard programme as managed by the NPSS team is being transferred to East Cambridge District Council with effect from 1 April 2016. The figures in Appendix 1 show the contribution from the annual Preventing Homelessness Grant towards the running costs of the 3 remaining internal NPSS officers.
- 3.5 **Housing Options Officer:** The £36,000 as shown in Appendix 1 represents the employment costs for one of the four frontline officers operating the triage system and directly managing a client caseload. This post has been funded since 2012 through the grant on a fixed term contract, in recognition that the front line does not have sufficient resources or resilience to ensure the prevention approach is at the forefront of service delivery at Winchester.

Using the grant in this way prevents the placement of households into high cost bed and breakfast accommodation and provides early intervention opportunities to reduce homelessness and associated costs within the district. Funding is included in this report for a further year.

- 3.6 **Rent Deposits – ‘City Lets’ Scheme:** During the last financial year 10 private sector landlords through the Council’s City Lets scheme have accepted bonds in place of a cash deposit. The scheme has to date accommodated 11 homeless families who otherwise would have been placed in the Council’s temporary accommodation. Ongoing work is in place to continue to engage with private landlords through the City Lets scheme to secure private accommodation for housing options clients. Following the success of Bond rent deposits as opposed to cash transactions the budget for rent deposits reduces to £55,000 for the next and subsequent financial years.
- 3.7 **Grants to Partner Organisations:** Working with partners is a key element of the approach to preventing homelessness and it is proposed to utilise £36,000 of the grant to support the work being undertaken by a number of partner organisations with an additional amount being available to provide a Severe Weather Emergency provision (SWEP) for rough sleepers.
- 3.8 **“No Second Night Out Initiative”** – Addressing rough sleeping and street activity in the city is an ongoing challenge. The City Council has benefitted from an “outreach” worker in the last year funded by national grant and who has worked very successfully in coordinating the work of key partners as well as working directly with rough sleepers in the city. No additional external funding is available although it is recommended that funding for this role is made at least for a further year from the Preventing Homelessness Fund to ensure the progress made in the last year is maintained.
- 3.9 **Supported Housing Projects – Funding of Support Provision:** If the City Council completes the proposed purchase of Milford House, Winchester, it is proposed that management arrangements will be funded by direct charges to residents. However, such charges cannot fund the provision of support which will be essential to ensure residents are able to sustain their licence and become ready to move on to more a secure tenancy. Support has traditionally been funded through Hampshire County Council Supporting People grant although many projects have seen very significant reductions through changes to contracting arrangements. Whilst officers will continue to make every effort to secure additional funding for support to key city-based projects through external sources including Supporting People funding, it is proposed that an additional short term provision of £60,000 be allocated from the grant to fund the support provision to key projects in 2016/17, reducing to £40,000 in year 2 and £30,000 in year 3 (with the aim of securing alternative funding over time and/or more direct support from the voluntary sector). Final management and support arrangements for Milford House will be agreed once the final service model has been determined. Three different models of support provision are currently being explored by officers as set out below,

with the expectation that the support provider fully funds the expenditure from year 3 onwards:

- a) WCC Temporary accommodation established management model;
- b) Commissioning of an external support provider;
- c) Consortium of voluntary partners delivering support for specific client groups.

- 3.10 **‘Spare Change for Real Change’ Campaign:** The Council is working in partnership with the Winchester Bid to relaunch the general public charitable giving scheme for people who are homeless and rough sleeping in the City. The scheme has been in place for 5 years and is called ‘Spare change for Real Change’. The concept of the giving scheme is to encourage the general public to donate money directly to the scheme rather than to those rough sleeping or actively involved in street begging who may not be genuinely homeless. Donations are currently made through collection boxes which are placed in various retailers across the City Centre. All donations are shared evenly between two local homelessness charities (the Winchester Nightshelter and the Trinity Day Centre). A proposal is made to utilise £5000 from the grant to promote the scheme and to contribute to marketing initiatives to support the relaunch of the giving scheme and on going campaign.

OTHER CONSIDERATIONS:

4 COMMUNITY STRATEGY AND PORTFOLIO PLANS: (RELEVANCE TO)

- 4.1 The Community Strategy Active Communities outcome contains a commitment to ‘support local people in accessing high quality and affordable housing which meets their needs’.
- 4.2 The Housing Services Portfolio Plan 2016/17 contains an overarching objective to ‘implement a local programme of measures to prevent and address homelessness in the district’

5 RESOURCE IMPLICATIONS:

- 5.1 The proposed expenditure outlined in this report and shown in Appendix 1 totals £365,153 in 2016/17, with indicated requirements shown for a further two years to 2018/19. It is recommended that the 2016/17 budget for Homelessness Prevention be agreed at £365,153 as set out in the Appendix and that sufficient resources are released from the reserve to fund this programme.
- 5.2 The Homelessness Prevention earmarked reserve opening balance in April 2015 was £483,161 and the expenditure plans in Appendix 1 will result in a transfer of £4,322 into the reserve to take the closing 2015/16 balance to £487,483. The forecast closing balance at the end of 2018/19, using the indicative expenditure plans in Appendix 1, is £136,006.

5.3 The City Council currently retain £642,500 of the original grant allocation to fund the Gold Standard programme (after accounting for expected commitments). It is recommended that this be transferred to East Cambridgeshire with immediate effect, ensuring the transfer is completed in the current financial year.

6 RISK MANAGEMENT ISSUES

6.1 As discussed in paragraph 3.2 above, the Homelessness Prevention Grant is part of the general fund settlement funding assessment grant which has been subject to significant government cuts. A review is proposed, commencing in the summer of 2016, as part of the 2017/18 budget setting process in order to determine the appropriate level of funding to be allocated to Homelessness Prevention. This review could lead to reduced budget allocation which could impact on the 2017/18 and 2018/19 indicative proposals in Appendix 1.

6.2 The Gold Standard Programme budget for 2016/17 is based upon the sum already received as mentioned above by DCLG for Winchester City Council to manage the 3 internal NPSS posts.

BACKGROUND DOCUMENTS:

NONE

APPENDICES:

APPENDIX 1 Homelessness Prevention Fund - Proposed Budget

Homelessness Prevention Financial Projections & Earmarked Reserve Forecast

	2015/16 Budget	2015/16 Forecast	2016/17	2017/18
	£	£	£	£
Expenditure Forecasts				
National Homelessness Advisor Post	74,504	56,300		
Specialist Advisor Homelessness Support Officer	27,600	39,073	12,021	12,141
NPSS Advisors (x 2)	0	12,867	93,000	93,930
National Practitioner Support Service Expenses	10,000	14,155	10,000	10,000
Housing Options Support Officer	27,174	21,825	35,000	35,350
NET Rent Deposits / City Lets Bonds	75,000	17,500	55,000	55,000
Homelessness Grants (allocated)	36,000	36,720	36,000	60,000
"No Second Night Out" Initiative	5,000	5,000	35,000	5,000
"Spare Change for Real Change" Campaign	0	0	5,000	0
Other Prevention Initiatives	20,000		10,000	10,000
IT Systems Development	1,100	2,016	2,000	2,000
Internal Recharges	0	12,120	12,132	12,144
Additional Provision for Support	0	0	60,000	40,000
Private Sector Stock Condition Survey (Balance)	0	2,975		
Total	276,378	220,551	365,153	335,565
Funding				
Local Services Support Grant *	224,783	224,873	225,411	225,411
Total	224,783	224,873	225,411	225,411
Homelessness Prevention Earmarked Reserve				
Opening Balances	483,161	483,161	487,483	347,741
Expenditure	(276,378)	(220,551)	(365,153)	(335,565)
Funding	224,783	224,873	225,411	225,411
Forecast Closing Balances	431,566	487,483	347,741	237,586
Expenses and Winding up costs for Specialist Advisor (received in 2010/11)				
Currently has no spending plan / reserve provision				

* Funding shown for 2017/18 and 18/19 assumed to remain at 2016/17 levels but is subject to future confirmation