

Approval of grant fund spending towards support costs of Somewhere Safe to Stay.

Date: 9th July 2021

Report of: Head of Commissioning, Adults and Health

Report to: Director of Communities, Housing and Environment

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- Approval for use of Government Rough Sleeper Initiative grant funding towards the staffing and running costs of the Somewhere Safe to Stay homeless accommodation project for women.
- This proposal supports objectives regarding **Safe Strong Communities** – keeping people safe from harm and protecting the most vulnerable, and **Health and Wellbeing** - ensuring support for the health and homeless sector to deliver services post Covid-19, and **Housing** - minimising and responding to homelessness.

Recommendations

- a) The Director of Communities, Housing and Environment is recommended to approve use of Ministry of Housing Communities and Local Government's (MHCLG) Rough Sleeper Initiative grant of up to £350,000 per annum, for an overall period of up to three years, towards the operating costs of the Somewhere Safe to Stay project. The allocation of the grant funding to the support provider, St Anne's Community Services, will be made on an annual basis subject to continuation of MHCLG grant funding.

Why is the proposal being put forward?

This report seeks approval for use of MHCLG Rough Sleeper Initiative grant funding towards the operating costs of St Anne's Community Services in delivering the Somewhere Safe to Stay project for vulnerable women for a period of up to 3 years. The allocation of the grant funding will be confirmed annually to St Anne's, dependent on funding from the Rough Sleeper Initiative programme.

As part of the 'Everyone In' initiative in March 2020 approximately 15,000 people nationally who were sleeping rough or at imminent risk of rough sleeping, and those in supported accommodation which presented unsafe communal settings, were placed into suitable emergency accommodation during the COVID-19 pandemic.

Local responses in Leeds included provision of temporary hotel accommodation.

The Next Steps Accommodation Programme (NSAP) promoted by MHCLG in 2020 aimed to make available the financial resources needed to progress from this initial response, and support medium term continued accommodation and interventions for this client group that are Covid-19 compliant and prevent homelessness and a return to rough sleeping.

The Council bid for funding in August 2020 to provide temporary accommodation to support its "Somewhere Safe to Stay" programme for vulnerable women, and it was successful in being offered £350,000 towards the costs of constructing and adapting premises to provide self-contained accommodation to meet the needs of women requiring emergency and supported accommodation (including emergency safeguarding and severe weather protocols). The provision will include onsite staff support on a 24/7 basis by St Anne's. The cost of adapting the building and construction was the subject of a previous key decision report, reference number D52559, enclosed as a background paper.

Funding was secured separately towards support staff and running costs identified by St Anne's Community Services, the subject of this report.

Somewhere Safe to Stay is a continuation of a previous successful pilot that commenced in September 2019 delivered at St Anne's Resource Centre by St Anne's Community Services. This was interrupted by the Covid-19 outbreak and the 'Everyone In' directive in March 2020 whereby this service was replaced by temporary hotel accommodation.

It is estimated these annual support costs will be no greater than £350,000 per annum. A bid for revenue funding for St Anne's to Rough Sleeper Initiative 21/22 for the Somewhere Safe to Stay Hub was successful and has provided funding of £164,565 for the period covering August 2021 to 31st March 2022, equivalent to £219,420 per annum. Other costs will be met by Housing Benefit.

What impact will this proposal have?

Wards affected: Little London and Woodhouse

Have ward members been consulted?

Yes

No

The intention of Somewhere Safe to Stay is to provide an improved model of temporary supported accommodation and a safe environment away from the street that can be accessed 24 hours a day, 7 days a week, to women who are identified as homeless, living vulnerably or rough sleeping. There will be 9 rooms available, two for short stay emergency and the rest for longer stay whilst support interventions are provided.

The delivery of support to the nine units of accommodation will be from St Anne's Community Services who operated the Somewhere Safe to Stay Hub at its previous location. St Anne's have considerable experience in delivery of support to people with a history of rough sleeping and homelessness, having previously delivered contracts for the former Holdforth Court service and the long-established St Anne's Resource Centre. St Anne's are the most experienced delivery partner in terms of delivering women only emergency accommodation provision. St Anne's have worked with the Street Support partnership body, including Council officers from Adults and Health

commissioning and Safer Leeds, NHS and third sector to develop the Somewhere Safe to Stay proposal and to co-produce bids for MHCLG funding.

Somewhere Safe to Stay will work directly with some of the most vulnerable and marginalised women living in the City. It will help to achieve goals of reducing inequality, improving health outcomes for the most disadvantaged, and ensuring people access good quality accommodation.

What consultation and engagement has taken place?

The Council's Executive Member for Resources and Executive Member for Environment and Housing have been engaged and are fully supportive of the proposed scheme.

Ward members were consulted prior to building works starting on site in line with the approved arrangements set out in the Housing Growth Member Engagement Strategy to ensure effective engagement, consultation and information is shared at key points throughout the life cycle of the scheme. The specific location of the properties has not been identified in this report to protect the vulnerable clients receiving the support.

What are the resource implications?

The support and management costs of the new service for 21/22 will be met through the 2021/22 allocation of MHCLG Rough Sleeper Initiative grant funding, equivalent to £219,420 per annum.

St Anne's have indicated that the annual operating costs will be no greater than £350,000 per annum. The remaining cost beyond that covered by MHCLG funding will be met through supplementary income from Housing Benefit. Future year's support and operating costs from 2022/23 onwards will be met by subsequent annual bids for MHCLG grant funding. It is anticipated that this scheme will attract continued funding as it is a priority for MHCLG and the Council and will help to achieve outcomes of reducing the number of people rough sleeping in the city.

What are the legal implications?

This decision is a Significant Operational Decision and as such is not subject to call-in but is a published decision. It is a decision that is a directly related and a consequence of a previous key decision (reference number D52559).

As the Council would be entering into grant arrangements with St Anne's, the Council will have no contractual control over enforcement of the terms. The only sanction available with grant payments is for the Council to claw-back grant monies unspent or spent on matters for which the grant wasn't provided.

There is a risk of challenge that a grant payment is not a grant. Legally there is some confusion about when a grant can and cannot be used as there is a fine line between a grant (which is not caught by the procurement rules) and a contract for services (which is caught by the procurement rules). Although no longer directly applicable due to the UK's departure from the European Union, the preamble to EU Procurement Directive 2014/24/EU (from which the Public Contracts Regulations 2015 were transposed into English law) is still persuasive and the directive makes it clear at paragraph (4) that "the mere financing, in particular through grants, of an activity, which is frequently linked to the obligation to reimburse the amounts received where they are not used for the purposes intended, does not usually fall within the scope of the public procurement rules".

As such, unconditional grants are unlikely to meet the definition of a contract set out in the Public Contracts Regulations 2015 (PCR 2015). However, where grants are used with strict qualification criteria and an obligation to pay back money if certain targets are not reached, the position is less straightforward and it is possible that an arrangement referred to as a grant could actually meet the definition of a contract as set out in the PCR 2015. If it does, the PCR 2015 may apply. It is therefore extremely important to ensure that, if providing grants, the process followed does not fall within the definition of a "public contract" as set out in PCR 2015 which states – "contracts for pecuniary interest concluded in writing between one or more economic operators and one or more contracting

authorities and having as their object the execution of works, the supply of products or the provision of services"

Grants may be in breach of subsidy control but it is unlikely that the grant payments proposed will fall foul of the subsidy control rules.

Awarding the grants to the named organisations in this way could leave the Council open to a potential claim from other providers, to whom this grant could be of interest, that it has not been wholly transparent. However, the risk of this would appear to be low.

As this is a grant it is not subject to the council's Contracts Procedure Rules or within the Public Contracts Regulations 2015 but good practice and transparency will be observed throughout.

There is no overriding legal obstacle preventing the award of the grants and the contents of this report should be noted. In making their final decision, the Director of Communities, Housing and Environment should be satisfied that the course of action chosen represents best value for the Council

What are the key risks and how are they being managed?

The premises being used for this service are leased by the Council from the landowners, on a short-term basis with no cost to the Council, with an option to break from this agreement at 3 years. This reduces the risk of long-term commitment to a building.

Future funding for revenue costs beyond April 2022 is dependent on further support from MHCLG Rough Sleeper Initiative grant funding. This is an annual grant but will be available on an ongoing basis to support the Government's ambition to reduce rough sleeping. The grant is available for recurrent expenditure and the Somewhere Safe to Stay is a priority for MHCLG and the Council. There is a strong likelihood that the ongoing funding for the Somewhere Safe to Stay service costs will be met. However, to mitigate any risk, the grant will be awarded to St Anne's on an annual basis.

In the unlikely event that RSI funding be reduced, and these operating costs cannot be met for years 22/23 and 23/24, there is an option to remodel the provision, retaining the accommodation but reducing costs through delivery of visiting support rather than on-site staffing.

Does this proposal support the council's three Key Pillars?

Inclusive Growth Health and Wellbeing Climate Emergency

The Best Council Plan 2020-2025 identifies tackling poverty and reducing inequalities as a headline ambition. A specific KPI for which this service contributes towards includes Housing – increased number of homeless preventions, reducing the number of people rough sleeping in Leeds. Health and Wellbeing – improving outcomes connected with mental health, reducing health inequalities and improved self-care.

Climate Emergency

Although no specific outcomes from the new service will directly impact on the efforts to control the rate of climate change, it is expected the refurbishment of the current buildings and re-purposing for support delivery will include specifications compliant with the latest energy efficiency and available technology to reduce carbon emissions. Work practices will likely include methods to reduce travel and continuation of web-based conferencing and meetings.

Options, timescales and measuring success

What other options were considered?

The option to continue the Somewhere Safe to Stay trial project in its previous location was considered but the opportunity to bid for funds to establish new provision with self-contained rooms

is the preferred option, delivering an improved support offer. Grant funding was applied for from RSI to specifically fund St Anne's to provide support based on their previous delivery of the pilot scheme and experience as delivery partner in the interests of continuity.

How will success be measured?

St Anne's will report outcomes to the Street Support Partnership, with the impact on rough sleeper numbers being fed back to MHCLG via the Delta data return. St Anne's will deploy measures to record progress and outcomes of women by support plans and identified objectives around achieving outcomes around health and wellbeing, housing, reducing substance misuse, staying safe. Successful move-on from the service to settled accommodation and no return to rough sleeping will be measured as a successful overall outcome.

What is the timetable for implementation?

It is anticipated that the building works will be completed during August 2021 and occupancy being started before the end of August 2021. The support staff have been deployed to work at other emergency accommodation in the interim.

Appendices

Equality, Diversity, Cohesion, and Integration Screening document

Background papers

Next Steps Accommodation Programme (NSAP) – Leeds funding approval – Somewhere Safe to Stay accommodation: Report to Director of Resources and Housing 7th December 2020 (reference number D52559).