

Approval to accept Government Winter Pressures Homelessness grant funding 2022/23

Date: 14th November 2022

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

Brief summary

The Department of Levelling Up, Housing and Communities has made available grant funding to Local Authorities to help alleviate service pressures during winter when responding to rough sleeping. Leeds City Council has been awarded up to £183,680 to be used for provision of services and interventions to manage rough sleeping and additional pressures of delivering this support during the winter. This report seeks approval to spend this grant funding on the interventions described within.

Recommendations

- a) The Director of Communities, Housing and Environment is recommended to approve the acceptance of the Government Winter Pressures funding of £183,680 for 2022/23 and its use for activities as described in this report including block booked beds, additional accommodation for busy times, and a personalised budget.
- b) Approve an allocation of up to £12,698 as grant to St Anne's Community Services to fund weekend opening at the Resource Centre.
- c) Approve an allocation of up to £7,982 as grant to Change Grow Live to fund additional weekend outreach sessions and engagement.

What is this report about?

- 1 This report seeks approval to accept Government grant funding to be used for the purpose of additional interventions during winter to support people who are rough sleeping or at risk of rough sleeping.
- 2 The government published its national Rough Sleeping Strategy in August 2018. The national strategy includes the targets to halve rough sleeping numbers (from the 2017 baseline) by 2022 and to end rough sleeping by 2027.

3 Additional Government funding was recently made available to Local Authorities to assist with the anticipated extra pressures of delivering services which directly support people who are rough sleeping or at risk of rough sleeping. This funding may be used to provide additional staffing, resources, or interventions through to March 2023.

4 These activities will include:

- Funding (up to approximately £144k) to secure additional bedspaces over the winter period, to be managed by Leeds Housing Options and the CGL Street Outreach Team to offer direct placements into accommodation, with availability extended to weekends and out of hours.
- Additional resource to the CGL Street Outreach Team as a grant of up to £7,982 to provide extra weekend outreach and engagement with people rough sleeping. Funding will also be used to provide a personalisation budget (up to approximately £19,000) to resolve any barriers in people returning to accommodation, e.g. providing fuel top-up cards and essential items.
- Grant to St Anne's of up to £12,698 to extend the opening hours of the St Anne's Resource Centre so they are able to provide additional support to people who are rough sleeping, in particular at weekends. Enabling a place of warmth and safety for people, and a co-location hub where Street Outreach staff can co-ordinate their work.

What impact will this proposal have?

- 5 These proposals will increase the available capacity of emergency accommodation, boost the staffing resource of the Street Outreach Team and ability to resolve housing barriers, and open the Resource Centre to more people during winter months. This should help minimise the occurrence of rough sleeping and enable more effective interventions to be delivered.
- 6 Discussion has taken place with key stakeholders and partner organisations who work with homeless people and people rough sleeping to ensure the request matches appropriate needs and is deliverable. We are ready to rapidly put in place arrangements to cover any winter pressures which may occur.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 7 This grant funding will ensure commissioned services and partner organisations which engage with people who are homeless and rough sleeping can effectively work during the winter months. Their work directly contributes towards the strategic aims of reducing the risks of rough sleeping, reducing health inequalities and finding suitable accommodation and support for vulnerable people.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted?

Yes

No

- 8 Consultation has taken place with key partners working across the city with people who are rough sleeping to design a bid for the funding, identifying key activities and pressures anticipated during winter delivery of services which would be eligible for the grant funding.

What are the resource implications?

- 9 The grant funding will be paid to Leeds City Council via a section 31 grant. The activities listed in this report will be fully funded by the grant. The Council is required to claim the grant based on actual expenditure up to the amount approved. There are no longer-term resource implications – all providers are aware of the short-term nature of the funding and activities will be time limited.
- 10 Grant will be paid to St Anne's and Change Grow Live based on invoices and evidence of activity. The funding for accommodation and personalised budgets will be managed by Commissioning and Housing Options. An audit trail will be maintained to support grant claims to DLUHC based on expenditure incurred.

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

- 11 There is a risk that expenditure could be incurred beyond the funding available or for ineligible activities. This will be prevented by ensuring that the funding is managed and allocated appropriately and that claims are made in a timely way and a record of claims is maintained. CGL and St Anne's are experienced providers with the relevant specialist knowledge in their field. The grant is payable based on claims to DLUHC.

What are the legal implications?

- 12 The value of the grant does not exceed £500k, for this reason it has been determined that approval is a Significant Operational Decision and not subject to Call In. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.

In terms of the grants to CGL and St Anne's, as the Council will be entering into grant arrangements with the organisations stated, 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 procurement rules) and a contract for services (which is caught by 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 PCR 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 as set out in the PCR. However, where grants are used with strict qualification criteria and an obligation to pay money back 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 set out in the PCR, and 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, as they would be exempt under the minimal financial assistance exemption.

Funding from which any grant payment is made must be designated as “grant money”. If the council wish to make a grant, the money must be in the grant block. If it is not, it can normally be moved from other blocks in the Council budget into the grant block.

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 these are grants, they are not subject to the Council’s Contract Procedure Rules or within the PCR, 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.

Options, timescales and measuring success

What other options were considered?

- 13 There are no other alternative options in responding to the Government grant funding framework, specific to this client group. These proposals are tailored to the eligibility criteria in bidding for this additional funding. The grant will be used to support activities that have been identified as priorities for the winter.

How will success be measured?

- 14 Leeds City Council is committed to ending rough sleeping and it is a key strategic priority for the city. This vision is underpinned by three key approaches: Prevention; Intervention; Recovery. To achieve this, a rough sleeping action plan is in place that has a suite of indicators to measure success. This will be monitored by officers within the Adults and Health commissioning team and liaison with provider agencies.

What is the timetable and who will be responsible for implementation?

- 15 These measures will be introduced this month once this report is approved, so that we are ready to respond to any winter pressures in terms of demand, or cold or inclement weather.

Appendices

- None

Background papers

- Equality, Diversity, Cohesion and Integration screening paper