

## **Council Housing Growth Programme: Rough Sleepers Accommodation Programme (RSAP) – Leeds funding approval / 1 bed property acquisitions for supported move on**

Date: 11<sup>th</sup> May 2023

Report of: Council Housing Growth Team / Property Acquisitions Programme

Report to: Chief Officer of Asset Management and Regeneration

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

### **Brief summary**

To obtain Director Authority to Purchase, Authority to Spend and approval to accept additional Department for Levelling Up, Housing and Communities (DLUHC) grant funding. To provide 8 X 1 bedroom properties and support services to round 5 of the Rough Sleepers Accommodation Programme (RSAP).

### **Recommendations**

- a) Support in principle approval for the purchase of 8 x 1 bedroom properties which shall provide self-contained additional accommodation for RSAP round 5. The deadline to deliver the allocation is by no later than March 2024.
- b) Approve the injection of £400,000 of grant funding into the HRA Council House Growth capital programme to enable the scheme to deliver the programme.
- c) Note that Director approval for the acceptance NSAP round 1, RSAP round 2 & RSAP R3 and necessary injection of £3,909,000 HRA funding was provided Dec 2020 and Dec 2021 for the delivery of 30 x 1 bed properties. Following assessment of spend to date a cashflow of £1,132,100 remains available to fund RSAP R5. Based on £145,000 per property x 8 (£50,000 from Homes England & £95,000 from the Council). £760,000 is the requirement / Council element (£95,000 x 8) which shall be funded from the previously approved and remaining budget.
- d) Note that property addresses cannot be provided at time of drafting this report, therefore, approval is requested to process each individual property purchase as a Significant Operational Decision (using the same process as agreed on the Right of First Refusals purchases) under the Director of City Development's scheme of delegation.

## What is this report about?

- 1 To inform that the Department for Levelling Up, Housing and Communities (DLUHC) previously known as the Ministry of Housing, Communities & Local Government (MHCLG), invited local authorities, registered providers, and their local partners to engage with the next stage of their Rough Sleeping Accommodation Programme (round 5). A bid was submitted by Leeds which has now received approval confirmation from DLUHC that they will be able to accept and allocate the offers.
- 2 Supporting delivery of a further phase of the Rough Sleepers Accommodation programme which shall provide the Council with the opportunity to acquire additional supported accommodation in the City.

## What impact will this proposal have?

- 3 **National Rough Sleeping Strategy:** The national strategy included targets to halve rough sleeper numbers (from the 2017 baseline) by 2022 and to end rough sleeping by 2027. The updated strategy "Ending rough sleeping for good" is organised through four key themes - Prevention, Intervention, Recovery, and Transparent and Joined up System,
- 4 The delivery of the proposed accommodation identified in this report directly contributes to the Council's response to homelessness and the additional pressures placed on some of the most vulnerable people living in Leeds.
- 5 The provision of this accommodation will therefore have a significant positive impact on this group and support wider council initiatives in preventing homelessness in the City.
- 6 Note that the specific location of the properties has not been identified in this report in order to protect the vulnerable residents that would be supported by this project.
- 7 Climate Emergency – although there are no specific proposals regarding the works which relate to the Council's climate emergency targets, energy efficiency improvements shall be maximised where possible during the void works period. Work will meet the Council letting standards and specification, legislative and Building Regulation requirements appropriate to the intended residential use.
- 8 It is considered that the proposals have only a positive impact in terms of EDCI in that they will contribute to delivering an increase in supply of additional supported accommodation in the City. An Equality, Diversity, Cohesion and Integration (EDCI) screening has been completed to evaluation and is attached for reference at Appendix A.

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

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 9 Acquisition of these new council homes directly contributes to delivering the Leeds Best City Ambition pillars of Health & Wellbeing and Zero Carbon by:
  - Providing housing of the right quality, type, tenure and affordability in the right places.
  - Minimising homelessness through a greater focus on prevention.
  - Addressing the challenges of housing quality and affordability, tackling fuel poverty and creating vibrant places where residents have close access to services and amenities.

10 The property acquisition shall also directly contribute to the achievement of a number of key performance indicators the Council will use to measure success including:

- a) Growth in new homes in Leeds
- b) Number of affordable homes delivered; and
- c) Improved energy and thermal efficiency performance of homes

### **What consultation and engagement has taken place?**

Wards affected: Various.

Have ward members been consulted?  Yes  No

11 The Executive Member for Climate and Infrastructure, the Executive Member for Environment and Housing and all Ward Members were informed and updated on the RSAP schemes on 16th August 2022. All feedback was supportive of the programme.

12 Regular updates on progress across the whole programme are provided to the Affordable Housing Delivery Board.

13 Local Ward Members are updated on any acquisitions in their ward areas, as they progress.

### **What are the resource implications?**

14 The scheme is estimated to cost £1,160,000 capital with an additional £44,470 of revenue support costs over 3 years. The Capital element is proposed to be funded via a combination of £400,000 capital funding from DLUHC with the balance, £760,000, from the Council Housing Growth programme within the previously approved Housing Revenue Account (HRA) capital programme. The revenue element is fully funded by the grant and shall provide dedicated support to the occupants.

15 As at 11<sup>th</sup> May 2023, £2,767,900 of the £3.9m approved RSAP funding has been spent, leaving £1,132,100 available to fund further property RSAP acquisitions. The additional 8 units shall be delivered within the initial DDN ATS.

16 An established & experienced acquisitions team, supported by colleagues in Land & Property (valuations), Legal services (conveyancing) and finance shall support the programme.

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

17 An initial risk assessment for the RSAP programme has identified the following risks, which are being managed at programme level and are not corporate risks at present:

- a) Potential longer void periods due to a combination of post covid void backlog recovery, contractor trade / resource shortage and supply chain issues. Approval to use alternative contracting arrangements are being considered.
- b) The acquisition of 1 bed properties is dependent on supply of suitable properties within the required timescales. The bid was informed by research into currently available properties, estate agents have been approached with mailing planned in target areas, chain free properties will be prioritised, if sufficient 1 bed houses are not available in the timescales, 1 bed flats will be considered as alternative.

- c) Lead decision contributors do not provide required confirmation of property suitability within agreed timescales. To progress the acquisition(s) it may be required to seek confirmation from secondary decision contributors.
- d) Any acquisition(s) progressed which are delayed due to unforeseen circumstances and at risk of missing the funding milestone / deadline OR do not fully meet suitability criteria - these may be used as General Needs housing as part of the buy-back programme / budget.
- e) There is a very low risk that individual properties may exceed the average budget cost, however, the total cumulative cost of the 8 acquisitions shall remain within the scheme estimate.

### **What are the legal implications?**

18 This report is a Significant Operational Decision and is therefore not subject to call in.

19 The Council is authorised to acquire housing under section 17 (1) (b) of the Housing Act 1985 which states “a local housing authority may for the purposes of this Part acquire houses, or buildings which may be made suitable as houses, together with any land occupied with the houses or buildings. Section 17 (3) of the Housing Act 1985 states that land may be acquired by a local housing authority for the purposes of this Part by agreement, or they may be authorised by the Secretary of State to acquire it compulsorily. As the proposed acquisitions will be by way of agreement no specific authorisation from the Secretary of State is required.

### **Options, timescales and measuring success**

#### **What other options were considered?**

20 Alternative methods of providing a wider range of move on accommodation is a key focus for Leeds. There is wide ranging multi agency partnership approach working together to achieve this, along with significant commitment to provide needed support.

21 This proposal will add to the options available providing more opportunities for people to move on from temporary and emergency accommodation on a pathway towards a permanent stable home.

#### **How will success be measured?**

22 Prevention / Intervention / Recovery / Transparent and Joined up System – achieving a collective outcome that: People ‘move in’ to appropriate and suitable accommodation; People ‘move-on’ by accessing the most effective support at the right time, to aide their personal recovery and as a result fewer people return / end up on the street and also feel socially connected to their neighbourhood.

23 Against achievement of milestones and delivery deadlines in the Homes England IMS system relating to grant allocation (capital and revenue).

24 Against relevant Housing Growth programme objectives and specific “RSAP” service plan priorities.

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

25 Homes England have advised a start date of March 2023, with a long stop date for the whole allocation of 8 homes by end March 2024.

26 A Project Support Officer will oversee delivery of the programme with support and management from a Project Manager.

### **Appendices**

- **Appendix A:** Equality, Diversity, Cohesion and Integration (EDCI)

### **Background papers**

- None