

Single Homelessness Accommodation Programme (SHAP) (2024-27) acceptance of grant from Department for Levelling Up, Housing and Communities (DLUHC) and Homes England.

Date: 21st February 2024

Report of: Head of Commissioning

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 Council has been awarded a grant of up to £6,544,976.00 from the Department of Levelling Up, Housing and Communities (DLUHC) and Homes England for the Single Homelessness Accommodation Programme until 31st March 2027.

The programme will provide supported accommodation to those with the longest histories of rough sleeping or the most complex needs, and vulnerable young people (age 18-25) at risk of homelessness or rough sleeping, along with targeted support as part of the national rough sleeping agenda.

The successful bid is of a grant amounting up to £2,265,000.00 for capital costs, and revenue expenditure amounting to £4,279,976.00 for a variety of interventions that include accommodation and delivery of intensive and specialist support. Additional funding is in the process of being applied for under Section 31 funding for estimated property refurbishment costs.

Approval is being sought for the Council to accept the grant allocation from DLUHC and Homes England and for subsequent decisions to award funding to several third sector organisations for delivery of the support services.

Recommendations

The Director of Communities, Housing and Environment is requested to:

- a) Accept a total of £2,265,000 capital grant funding for the period 1st April 2024 to 31st March 2027 towards the purchase and refurbishment of properties, comprising £2,040,000 for acquisition of up to 25 self-contained one-bedroom properties and up to £225,000 Section 31 funding towards refurbishment of an existing property.

- b) Accept £4,279,976 revenue grant funding for the period 1st April 2024 to 30th June 2028 towards support delivery costs.
- c) Approve recommendations within Confidential Appendix 1 regarding HRA Council Housing Growth capital programme and details of the capital grant funding breakdown
- d) It is noted that subsequent decisions will be made as a consequence of this report to award grant funding to third sector organisations within the city for delivery of accommodation and support services.

What is this report about?

- 1 The Government Rough Sleeping Strategy was published in September 2022, and following this the Single Homelessness Accommodation Programme (SHAP) was announced providing over £200M nationally to deliver targeted support to people with the longest history of rough sleeping and the most complex needs, and to support vulnerable young people at risk of rough sleeping and homelessness. The prospectus included revenue funding towards support costs, and capital funding for property.
- 2 SHAP is targeted to address the support needs of the most entrenched rough sleepers and those with the most complex needs, who have experienced multiple periods of homelessness and unsuccessful interventions by existing provision. To achieve the objectives of SHAP, local systems will need to come together in collaboration – commissioners and service providers; Integrated Care Partnerships; public, third sector, and business sectors – from housing and homelessness, health, substance misuse, criminal justice, skills and employment, domestic abuse systems, to codesign the best local solutions to entrenched rough sleeping.
- 3 The new core and cluster services delivered within SHAP will be innovative and deliver support which is person centred, trauma informed, and seeks to break the cycle of homelessness, leading eventually to independent living and stable accommodation.
- 4 The Council submitted a bid for funding for both targeted groups, adults who are rough sleeping and young people who are, or at risk of rough sleeping. The bid was based on a ‘core and cluster’ arrangement with people receiving 24/7 specialist support in a core unit with individual bedrooms, accompanied by ‘cluster’ self-contained flats in the community which offer less intensive visiting support for people who are progressing towards independent living.
- 5 There is no fixed length of stay within the core or cluster services, the model provides wrap around support and specialist interventions to help address complex needs and long-established issues, unlike other commissioned services which may have a time limit on support. The focus is to achieve a measurable outcome and break any cycle of rough sleeping.
- 6 A needs analysis was carried out by officers to identify the requirements for the city, The Adult bid comprises a core of 14 units self-contained flats on one site, with 13 cluster properties of self-contained accommodation in the community. The Young Person’s core of 5 units of accommodation and 12 self-contained community cluster properties.
- 7 Officers within City Development will work alongside Adults and Health Commissioning in order to acquire the necessary cluster properties from the open market, these being phased into the service and a full portfolio by 31st March 2025, through capital funding from Homes England from the SHAP bid.

- 8 Two core premises have been identified to deliver the 24/7 staffed support to the adult and young persons' element of SHAP. Currently officers within Adults and Health Commissioning are in discussions with existing third sector support providers to confirm arrangements in using these buildings.
- 9 The adult core property is ready for use. However, the young persons' core premises requires an amount of remodelling to enable it to be meet the SHAP needs. This work will be funded via a Section 31 funding arrangement of up to £225,000 capital grant to the third sector organisation, administered through the Council.
- 10 It is expected that the adult SHAP service will be operational from the beginning of Q3 2024/25 along with some cluster properties. All cluster properties will be acquired by March 2025. From 1st April 2025, it is expected that the young persons' core premises will be fully operational. The services may continue in operation until June 2028 depending on funding and demand.

What impact will this proposal have?

- 11 Leeds is working to reduce the number of people with multiple disadvantages who are rough sleeping. We have a co-ordinated street support approach to this which includes a vast number of services and skill within the city but there is a need for additional accommodation and support..
- 12 This bid will allow us to address the gaps in current homeless pathway provision and help those with the longest histories of rough sleeping or the most complex needs, to help them recover from rough sleeping and its associated traumas.

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

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 13 The delivery of SHAP will provide targeted specialist support and interventions to the most vulnerable people who are rough sleeping and those with complex needs, ensuring that we provide better health and wellbeing opportunities to people. Specialist staff will work within the services including Psychotherapist, Occupational Therapist, and Trauma Informed Mental Health practitioners.
- 14 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:
- Growth in new homes in Leeds
 - Number of affordable homes delivered; and
 - Improved energy and thermal efficiency performance of homes

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted?

Yes

No

- 15 Consultation has taken place with the Executive Member for Housing since June 2023 about the opportunity for SHAP funding, the proposed content of bids and outcomes. Regular updates will be provided to the Executive Member during mobilisation and delivery of the project.

- 16 Officers within Adults and Health Commissioning have worked closely with third sector support providers who deliver existing services which support people who are homeless or rough sleeping so that any SHAP service compliments existing provision.
- 17 Local Ward Members are updated on any acquisitions in their ward areas, as they progress.

What are the resource implications?

- 18 SHAP provides capital funding to 2024/25, with three years of revenue funding for the costs of supporting people in the services.
- 19 The cost of support will be fully met from revenue grant received as part of the bid.
- 20 Discussions are taking place with Leeds Benefit Service around the housing benefit element of the support, the supported accommodation rents applicable. A separate report will set out the financial impact to the Council of any rents set for these premises, in particular addressing concerns over the exempt accommodation subsidy rates.
- 21 It is expected that third sector support providers who will be involved in the delivery of support to SHAP accommodation will achieve Registered Provider status in 24/25 financial year, which substantially reduces the subsidy model financial pressures connected to supported accommodation.
- 22 An established & experienced acquisitions team (Council Housing Growth), supported by colleagues in Land & Property (valuations), Legal Services (conveyancing) and Financial Services shall support the programme.

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

- 23 Officers within Adults and Health Commissioning will oversee the mobilisation of the SHAP services, working alongside colleagues in City Development, Adult Social Care, and wider partners including Leeds and York Partnership NHS Foundation Trust and the third sector. Risks will be managed through a risk register and reporting system to senior management.
- 24 An initial risk assessment for the existing Rough Sleeper Accommodation Programme (RSAP) which is a similar project to acquire community properties has identified the following risks, which are being managed at programme level and are not corporate risks at present:
 - a) 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.
 - b) 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.

What are the legal implications?

- 25 Due to the value of the grant, a Key Decision is required to receive the grants from DLUHC and Homes England. Consequently, this report is a Key Decision and is subject to call in. The

decision was published on the List of Forthcoming Key Decisions on 20th November 2023 and call in will apply upon publication of the decision.

- 26 An assessment has been made of this decision in relation to the Subsidy Control Act 2022. It is considered the acceptance of grant funding into the Council does not apply to the Act. Following completion of the Subsidy Assessment Form three of the five stage tests were assessed as negative which concludes that the Council is not granting a Subsidy and the Subsidy Control regime will not apply. Subsequent decisions to award SHAP grant to third sector organisations to deliver the support will have a further Subsidy Control assessment completed.
- 27 This report contains a Confidential appendix detailing breakdown of capital funding, In accordance with the Council Constitution, part 4 section 10.4 (3) Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Options, timescales and measuring success

What other options were considered?

- 27 In March 2023, an offer was made to third sector organisations and registered housing providers in Leeds to partner with the Council in submitting a joint bid, but the response was insufficient to enable this to progress. The need to respond to SHAP and address entrenched rough sleeping in the city resulted in a bid being submitted based on the existing work done around needs analysis and intelligence gathered from partners and contract management of services.
- 28 Options were explored to utilise buildings for the two 24/7 core services, potentially use of modular readymade units, or re-purposing unused Council premises. It was decided that two existing buildings owned by third sector organisations were most suitable, based on affordability, size and location.
- 29 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?

- 30 Outcomes will be measured by officers within Adults and Health Commissioning, reporting to DLUHC to ensure that those who complete a stay within the SHAP services move on to independent living within their own safe, stable accommodation, and do not return to rough sleeping.
- 31 During the contract management of the services, officers will meet regularly with the support provider to measure on-going success, monitor support interventions and where necessary adjust how support and interventions are delivered.
- 32 The support services will use the Gateway online case management system, commissioned by Adults and Health Directorate, and used by most housing related support services. This allows detailed recording of support interventions, activities, and outcomes being achieved.
- 33 Against achievement of milestones and delivery deadlines in the Homes England IMS system relating to grant allocation (capital and revenue).

34 Against relevant Housing Growth programme objectives and specific “SHAP” service plan priorities.

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

35 Officers within Adults and Health Commissioning and City Development are responsible for the mobilisation of the support services, and property acquisition for the cluster flats respectively.

36 The services will commence in financial year 2024/25, anticipated the adult core service in Q3 and the cluster premises to be acquired and offered to clients during Q3 and Q4. From April 2025, the young persons’ core premises will be operational. It is expected that support services will operate through to the end of Q1 in July 2027.

37 Properties shall be sourced and secured from March 2024, with a long stop date for the whole allocation of homes by end March 2025.

38 A Project Support Officer will oversee sourcing, securing & ensuring properties meet required letting standards with support and management from a Project Manager.

Appendices

- Confidential – Appendix 1

Background papers

- None.