

EXECUTIVE 18th November 2021

Report Title	Rough Sleeping Accommodation Programme
Report Author	David Watts, Executive Director of Adults, Communities and Wellbeing
Executive Member	Councillor Andy Mercer, Executive Member for Housing and Communities

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number for exemption from publication under Schedule 12A Local Government Act 1974	Not applicable

List of Appendices

None

1. Purpose of Report

- 1.1. To seek Executive's approval to commit £580,250 of capital funding to support the Council's bid to the government's Rough Sleeping Accommodation Programme to acquire ten properties for rough sleepers.

2. Executive Summary

- 2.1 The Rough Sleeping Accommodation Programme's (RSAP) objective is to provide move-on homes, available as long-term assets, and accompanying support services to achieve a sustainable reduction in rough sleeping.
- 2.2 North Northamptonshire Council submitted a RSAP bid to central government by the September 2021 deadline requesting capital and revenue funding towards a proposed scheme. The bid was co-produced in close conjunction with the Department for Levelling Up, Homes and Communities (DLUHC) and

Homes England and proposes to purchase, repair and furnish 10 x 1 bed properties to provide accommodation with floating support for rough sleepers.

3. Recommendations

3.1 It is recommended that the Executive:

- (a) Approves the allocation of £580,250 from the Homelessness Prevention capital budget to the Rough Sleeping Accommodation Programme;
- (b) Delegates authority to the Executive Member for Housing and Communities, in liaison with the Executive Director of Adults, Communities and Wellbeing to take any further decisions and/or actions required to deliver this capital project.

4. Report Background

4.1 Announced in October 2020, the Rough Sleeping Accommodation Programme (RSAP) is part of a range of measures to meet the Government’s manifesto commitment to end rough sleeping by the end of this parliament through the provision of additional move-on homes and support services. The 2021/2024 RSAP programme makes available up to £140.9m in capital and £70.7m in revenue funding to deliver over 2,700 additional move-on homes and support services for eligible rough sleepers.

4.2 The Ministry of Housing, Communities and Local Government (MHCLG), now the Department for Levelling Up, Housing and Communities (DLUHC), invited Councils to submit proposals and bids for funding in respect of the RSAP. In September 2021, North Northamptonshire Council co-produced and submitted a bid with DLUHC and Homes England, requesting £580,250 of capital funding and £125,416 revenue funding as set out in figure 1 below:

Figure 1: NNC RSAP grant funding request to DLUHC and Homes England

	2021/22	2022/23	2023/24	TOTAL
Capital grant requested, £'s	174,075	406,175	0	580,250
Revenue grant requested, £'s	0	55,416	70,000	125,416
TOTAL RSAP FUNDING REQUEST, £'s	174,075	461,591	70,000	705,666

4.3 There are two elements to the RSAP project, both of which aim to achieve a sustainable reduction in rough sleeping. The first is acquiring the capital assets (ten x 1-bedroom properties) to achieve the RSAP objective of providing additional move-on homes, available as long-term assets, to rough sleepers, or those with a history of rough sleeping that are currently in emergency accommodation. The second is to ensure adequate revenue-funded

accompanying support services to ensure occupants are provided with the best chance of sustaining the accommodation.

- 4.4 Delivery of the RSAP proposal, should the bid be successful, requires North Northamptonshire Council to provide match funding for the capital element of the bid totalling £580,250. There is an existing General Fund capital budget for Housing and Homelessness Prevention with sufficient available budget but as the value of the contribution being sought exceeds the key decision threshold, this requires approval from the Executive, in accordance with the Council's Constitution.
- 4.5 The outcome of the RSAP bid is pending but expected imminently. If successful, the North Northamptonshire RSAP proposal is to purchase, repair and furnish ten dispersed, self-contained one-bedroom units of accommodation by the end of March 2023, with all property purchases being completed by December 2022.
- 4.6 Specific properties will be identified as the project evolves, but it is envisaged that the purchase of the ten properties will predominantly be made in the towns of Kettering, Corby, Wellingborough and Rushden. As well as the likely suitability of a locality in terms of local services and community impact, demand and supply data in relation to rough sleeping will also be used to inform in which localities properties will be acquired. A small number of rough sleepers also have complex physical health needs and (dependent on availability) it is proposed that the Council should seek to acquire at least two ground floor units with scope to provide disabled adaptations.
- 4.7 The ten acquired properties will provide supported accommodation to rough sleepers with medium and high support needs which will be met by two Tenancy Support Workers funded entirely by the proposed RSAP revenue funding until 31st March 2024. It is envisaged that each rough sleeper would occupy a property for a period of up to two years whilst they are supported to become tenancy and employment ready, after which time they would be supported into settled independent tenancies.
- 4.8 Significant progress to tackle rough sleeping has been made by the sovereign councils of North Northamptonshire since March 2020 and the 'Everyone In' directive linked to the covid-19 pandemic. The 'Everyone In' directive led to a step change in the way that the Council supports individuals experiencing rough sleeping with the Council's Rough Sleeping Team now exercising discretionary powers to provide emergency accommodation for verified rough sleepers.
- 4.9 A report on the £737,283 of revenue funding awarded via MHCLG's Rough Sleeping Initiative (RSI) for 2021/22 was brought to the Executive in August 2021. This provided detail on a range of activities that are underway to engage and support rough sleepers to move away from the streets. The RSAP proposal complements the RSI activities by proposing to deliver additional accommodation to supplement that which is already available as part of the Council's rough sleeping pathway.
- 4.10 This proposal asks that £580,250 of the available General Fund Housing and Homeless Prevention capital budget be committed to RSAP to match fund the purchase of ten units of accommodation for rough sleepers. The properties will not form part of the Housing Revenue Account council housing stock but will

remain within the Council's General Fund. Section 6 of this report provides further financial detail.

- 4.11 Figure 2 provides data on the current levels of rough sleeping in North Northamptonshire presenting a single night snapshot figure at the end of each month, alongside the total number of rough sleepers that have been found bedded down during the course of that month.

Figure 2: Number of individuals rough sleeping in North Northamptonshire, April-September 2021

Month, 2021	Snapshot rough sleeping single night figure	<i>Of which: new to rough sleeping that month</i>	Monthly figure: no. people slept rough over the course of the month	<i>Of which: new to rough sleeping that month</i>
April	12	2	28	11
May	15	5	27	5
June	18	8	28	10
July	15	6	30	16
August	28	16	38	25
September	25	15	42	25

Source: data provided to DLUHC as part of Rough Sleeping Initiative (RSI) monitoring arrangements

- 4.12 Since August, North Northamptonshire Council has seen an increase in the number of individuals experiencing rough sleeping as shown in figure 2. There has been a particularly high 'flow' of new rough sleepers across North Northamptonshire. Analysis has shown this to be largely due to evictions and relationship breakdowns. Further work is required to maximise upstream prevention opportunities for single households against these two causes of homelessness to reduce the flow of new rough sleepers to the streets, but part of the solution is to also increase the supply of suitable accommodation solutions for this cohort.
- 4.13 25 individuals were sleeping rough across North Northamptonshire on a single night at the end of September 2021 of which 15 were new to rough sleeping that month. A further 23 rough sleepers were accommodated in short-term emergency accommodation in North Northants on 30th September 2021. Whilst there is disparity between localities within North Northamptonshire, overall, for those in emergency accommodation and sleeping rough there is a lack of suitable settled housing that enables more focused support to be provided ultimately aiming to address underlying support needs and the root causes of multiple exclusion homelessness.

- 4.14 Analysis of RSI-data provided to DLUHC shows that two-thirds of all rough sleepers across the county have a drug and/or alcohol misuse support need often alongside poor mental health and other support needs. Those with lower support needs are typically assisted into privately rented accommodation but move-on accommodation options for those with medium/high support needs who are not ready to sustain their own tenancy is more limited. Covid-19 has resulted in a 21-bedspace council-owned hostel in Corby being reduced by social distancing requirement to a capacity of 9 bedspaces, which has exacerbated the issue.
- 4.15 North Northamptonshire Council is aiming to reduce the snapshot single night rough sleeping figure to nine individuals by the end of March 2022 as set out in our Ending Rough Sleeping Plan submitted to DLUHC. A range of new accommodation solutions are required in order to meet, and hopefully exceed, this target.
- 4.16 The RSAP proposal is part of a wider strategy that aims to expand the supply of supported accommodation options on our pathway from rough sleeping to independent living and ultimately reduce the number of individuals that sleep rough in North Northamptonshire. The specific proposal is to utilise the ten properties to accommodate ten rough sleepers at any one time who have higher level and complex support needs for whom other housing options are the most limited or difficult to secure locally.

5. Issues and Choices

- 5.1 A range of delivery routes with specific conditions have been made available within the RSAP prospectus including:
- Purchase and repair of properties, either as freehold or on a long lease, where repairs may be required to bring the properties up to good standard to be let. Schemes delivered through this route must have a life expectancy of 30 years minimum
 - Acquisition of existing satisfactory dwellings. Acquisition of a second-hand existing dwelling, or dwellings, on the open market, which are already of a standard and condition suitable for affordable housing letting
 - Refurbishment and repurposing of existing stock. This is subject to additional requirements only allowing 10% of the total programme to be achieved in this way
 - Lease and repair: this may be a suitable option for providers seeking capital grant to enter long term lease arrangements with private owners and bring the properties up to appropriate standard between 5 – 10years.
 - Development of new build properties. New build properties can be developed or acquired as set out in Homes England's Capital Funding Guide: Acquisition and Works; New Build Works Only; Off the Shelf (and Existing Satisfactory); and Package Deal (Including Land). New build Schemes need to have a minimum life expectancy of 60 years.

- 5.2 The RSAP prospectus states that significant preference and priority for funding will be given to schemes that provide additional homes, thereby growing the sector, as will proposals that provide dispersed, self-contained accommodation. The selected purchase and repair option of dispersed units not only meets the criteria for priority funding but is also the option that is most feasible for North Northamptonshire Council to mobilise and deliver in the required timeframe. Officers within the Council have experience and skills in delivering a Temporary Accommodation acquisition programme of 80 properties to date across Kettering and Wellingborough. The dispersed nature of the proposal is also the most suitable in terms of the ongoing management of this cohort of individuals to minimise the risk of antisocial behaviour and crime.

6. Implications (including financial implications)

6.1 Resources and Financial

- 6.1.1 There is an existing General Fund capital budget of £4.5m for Housing and Homeless Prevention and the Executive is asked to utilise funding within this budget to match fund the prospective Homes England grant to acquire the RSAP properties. The revised 2021/22 Housing and Homeless Prevention capital budget consists of £2m loaded budget and £2.5m slippage from the sovereign council of Kettering capital programme 2020/21. This budget was carried forward into North Northamptonshire Council and was established to acquire properties to utilise as temporary accommodation for homeless households to whom the local authority owed statutory accommodation duties, in place of more expensive and less suitable forms of alternative temporary accommodation.
- 6.1.2 The Housing and Homelessness Prevention capital budget is being utilised for capital works to properties acquired by Kettering Borough Council in 2020/21. The only purchases currently planned for 2021/22 are in respect of an opportunity to acquire six units for temporary accommodation. A separate exempt report on this matter has been brought to the Executive today. If Executive approve the proposal to purchase the additional six units for temporary accommodation, the current forecast spend against this budget for 2021/22 is £1.6m which leaves £2.9m available for other in-scope activities. The RSAP proposal requires a contribution of £580,250 from this budget.
- 6.1.3 RSAP presents an opportunity, not only to provide much needed supported housing to rough sleepers but to also limit the need for alternative and more expensive forms of temporary accommodation such as that delivered by third party providers and charged on a nightly rate. RSAP also represents an opportunity for wider savings across Adult Social Care and Health as the crisis presentations associated with this cohort of individuals experiencing Multiple Exclusion Homelessness (MEH) are disproportionately resource intensive.
- 6.1.4 If approved by Executive, the RSAP proposal will involve acquiring capital assets for the General Fund. There will be a return on the investment over time through the generation of a revenue income through rental charges which will be set at the 1-bed Local Housing Allowance rate of £109.32p per week per property. The revenue income will be used to fund costs associated with

property management and maintenance and can also be utilised to pay back the cost of the capital outlay / borrowing in the long term.

6.1.5 Figure 3 shows the total capital budget, funded equally by Homes England and NNC capital funding, that is required to deliver the RSAP scheme.

Figure 3: Itemised projected RSAP capital costs by financial year

	2021/22	2022/23	TOTAL RSAP project cost	Of which: Homes England grant	Proposed NNC capital match funding
Acquisitions	£315,000	£735,000	£1,050,000	£525,000	£525,000
Capital Repair Works	£15,000	£35,000	£50,000	£25,000	£25,000
Furniture	£6,000	£14,000	£20,000	£10,000	£10,000
Legal Fees	£900	£2,100	£3,000	£1,500	£1,500
Other Fees (SDLT and Home Buyers Report)	£11,250	£26,250	£37,500	£18,750	£18,750
TOTAL	£348,150	£812,350	£1,160,500	£580,250	£580,250

Source: RSAP proposal to DLUHC and Strategic Capital Board business case

6.1.6 Figure 3 shows that an average purchase price per property of £105,000 is assumed. This has been based on market research of 1-bed units currently for sale across North Northamptonshire alongside data on the purchase prices of properties acquired for temporary accommodation to date.

6.1.7 Section 4.7 explains that RSAP funding covers the cost of the revenue-funded support services until 31 March 2024. In terms of an exit-strategy, prior to this date, work would be undertaken to identify options for sustaining this revenue requirement and these options would include use of the Homeless Prevention Grant, further DLUHC funding opportunities such as RSI, and the Council's own financial and staff resources.

6.1.8 This proposal has been approved by the Strategic Capital Board, including the Chief Finance Officer.

6.2 Legal

6.2.1 The RSAP proposal would aid North Northamptonshire Council in meeting its statutory duties to prevent and relive homelessness in the Housing Act 1996, as amended.

6.2.2 The acquisition of ten units under the RSAP programme falls outside of the Public Contracts Regulations 2015 which list specific exclusions for service

contracts at page 15/128. One of these (Regulation 10 (1) (a)) is *“for the acquisition or rental, by whatever financial means, of land, existing buildings or other immovable property, or which concern interests in or rights over any of them.”*

- 6.2.3 The Council will first and foremost, seek to purchase properties on a freehold basis but dependent on supply may have to consider the acquisition of properties on a long lease. Property and Procurement colleagues will be required to assist in terms of the conveyancing and procurement of the capital repair works.
- 6.2.4 The RSAP proposal has been approved by the Strategic Capital Board, including the Monitoring Officer.

6.3 Risk

- 6.3.1 A comprehensive rough sleeping pathway with an adequate supply of suitable accommodation solutions is imperative in reducing the risk of rough sleepers experiencing deteriorating health and death on the streets. There is an insufficient supply of ‘off the street’ accommodation in North Northamptonshire for rough sleepers with high / complex support needs. Such provision is required to mitigate the risks to those individuals experiencing rough sleeping.
- 6.3.2 The recent Safeguarding Adults Review following the death of Jonathan, a former rough sleeper in North Northamptonshire, makes a series of recommendations for Housing, Social Care and Health to work in a more collaborative and coordinated way to identify and address multiple exclusion homelessness. The RSAP acquisitions detailed in this report will initially provide a settled and supported home for ten rough sleepers from which NNC and partners can work together towards achieving those recommendations in individual cases, alongside the development of new joint working arrangements that allow the Council to safeguard this cohort of vulnerable adults in a holistic and seamless way.

6.4 Consultation

- 6.4.1 DLUHC specialist Rough Sleeping and Homelessness Advisors, along with Homes England, worked with North Northamptonshire Council Housing officers in the development of the RSAP proposal. The timescales associated with the bid were not conducive to direct consultation with other partners, however a wide range of statutory and voluntary sector partners work closely with the Council in the delivery of services for rough sleepers and support the need for additional specialist accommodation for this cohort. These partners include Accommodation Concern, East Northants Community Housing, Daylight Centre, Northamptonshire Healthcare Foundation Trust and Change Grow Live.
- 6.4.2 A business case was taken to the Strategic Capital Board in October and was approved.

6.5 Consideration by Scrutiny

6.5.1 None

6.6 Climate Impact

6.6.1 The purchase and repair option brings existing properties back into use and will typically save embodied carbon emissions compared to constructing a new building thus there is also an environmental case for refurbishment.

6.6.2 As part of the capital works to the acquired properties any heating systems that have come to the end of their useful life will be replaced with the most energy efficient solution available within the allocated resources.

6.7 Community Impact

6.7.1 As well as providing good quality, affordable housing to safeguard vulnerable rough sleepers and to enable multiple exclusion homelessness issues to be addressed, the RSAP proposal will have wider positive community impacts. Reducing rough sleeping contributes to the North Northamptonshire Council vision by ensuring that North Northamptonshire is a safe and attractive area with a thriving economy. Rough sleeping, whilst fundamentally and most visibly a housing issue, is also closely interlinked with begging and street drinking, as well as other antisocial behaviour and crime which impacts on local businesses and the local economy.

6.7.2 Rough sleepers have a disproportionately high use of emergency services, poor physical and mental health, low life expectancy and high levels of drug / alcohol misuse. The RSAP proposal is expected to therefore contribute to improved adult social care and health outcomes.

6.7.2 The RSAP proposal meets the priorities of the draft NNC Corporate Plan relating to active, fulfilled lives and thriving places.

7 Background Papers

7.1 North Northamptonshire Council RSAP bid

7.2 Report to Executive on the Rough Sleepers Initiative, August 2021