

Report for: **Cabinet**

Date of Meeting:	23 September 2021
Subject:	Rough Sleeping Accommodation Programme (RSAP)
Key Decision:	Yes - the matter is key by virtue of financial/ budget considerations because it will result in incurring capital expenditure of £1M or more.
Responsible Officer:	Julian Higson - Divisional Director, Housing Services
Portfolio Holder:	Councillor Phillip O'Dell Portfolio Holder for Housing
Exempt:	No, except for Appendix 1 to this report which is exempt under paragraph 3 of Schedule 12a of the Local Government Act 1972 (as amended) in that it includes information relating to the financial or business affairs of any particular person (including the authority holding that information)
Decision subject to Call-in:	Yes
Wards affected:	All Wards
Enclosures:	Appendix 1: Financial Information (EXEMPT)

Section 1 – Summary and Recommendations

This report sets out the proposal for a Housing First style supported accommodation scheme for rough sleepers in Harrow, which has been granted funding under the GLA's Rough Sleeping Accommodation Programme (RSAP) 2021/2024.

Recommendations:

Cabinet is requested to:

- Authorise the Divisional Director of Housing Services to enter into grant contracts with the GLA for the Rough Sleeping Accommodation Programme (RSAP) capital and revenue grants awarded to Harrow Council;
- Authorise the Divisional Director of Housing Services to acquire nine x 1 bedroom flats in Harrow to house rough sleepers under a Housing First model with a budget of £2,880,815 to include all costs associated with the acquisition and initial repairs as set out in the assumptions included in Appendix 1, funded in part by the GLA RSAP capital grant;
- Authorise the Divisional Director of Housing Services to commission a new Housing First style support service to commence in December 2021 funded by GLA RSAP revenue grant;
- Authorise the Director of Housing Services, in consultation with the Portfolio Holder for Housing, to award the support service contract.

Reason:

To meet the needs of rough sleepers in Harrow and local objectives in relation to homelessness and rough sleeping.

Section 2 – Report

Introduction

The aim of the Rough Sleeping Accommodation Programme (RSAP) programme is to provide move on accommodation and support to rough sleepers, to enable them to transition to independent living. It has a key role in helping the Mayor to achieve his aim of ending rough sleeping and is an important part of the strategy to assist many of the rough sleepers helped by the Everyone In initiative during the COVID-19 pandemic.

The Council has been successful in a bid to the GLA for the 2021–2024 Mayor's Rough Sleeping Accommodation Programme (RSAP). The funding bid was developed using information on acquisition and refurbishment costs from the council's current Property Acquisition Programme and funding awarded £1,350,000 capital. The HRA will be contributing additional borrowing of £1,430,916 and utilising £99,999 of s106 monies this financial year. The funding needs to be spent by 31 March 2022. It is therefore proposed to increase the 2021/22 capital programme by £2,880,915 which is the total budget required to

purchase the properties and associated on-costs plus initial refurbishment costs to bring the properties up to a lettable standard and includes the grant funding and other council resources. This is reflected in the Q1 Revenue and Capital Monitoring 2021/22 report. This will enable the purchase of nine properties in Harrow by the Housing Regeneration Service to house rough sleepers identified by the Housing Needs Service. The Council has also been awarded revenue funding of up to £315k to provide specialist support to the residents up to the 31 March 2024 after which the tenants will be enabled to live independently

Harrow Council's Rough Sleeping Accommodation Programme (RSAP) project comprises two parts- 'Capital for homes' and 'Revenue for Support'. A Gateway One report has been completed for the 'Revenue for Support' element. This report is in relation to the whole project.

The proposal is for a housing-led scheme for rough sleepers, in line with Housing First England principles, for nine clients. This housing-led scheme will be delivered in line with Housing First England principles - the philosophy of Housing First is to provide a stable, independent home and intensive personalised support and case management to homeless people with multiple and complex needs with no conditions around 'readiness' before providing someone with a home. A secure home is seen as a stable platform from which other issues can be addressed, rather than as a reward for engagement and compliance.

The client group is rough sleepers with medium to high complex support needs, including entrenched, excluded and hard to reach clients. They will be clients currently accommodated in B&Bs, hotels and other emergency and temporary accommodation in response to the Covid-19 emergency under Everyone In, though may also include clients that have refused offers of assistance to date.

Complex needs include street homelessness, mental health needs, drugs and alcohol dependency, contact with the criminal justice system, physical health needs and/or disability and experience of domestic abuse or other forms of abuse.

We plan for the support service to commence in advance of the accommodation being available, in order to engage with the clients that have been identified for referral and to build their trust.

The project will meet the objectives of the RSAP programme, in that it will provide nine clients with accommodation and support. This will ensure that as few people as possible return to streets from emergency accommodation put in place during COVID-19. It will keep the initial cohort of nine clients safe as COVID-19 remains a risk, particularly to those who are at increased risk of severe illness. It will ensure longer-term accommodation and support solutions for those already in a rough sleeping pathway, enabling them to move on to independent living. It may free up spaces in homelessness hostels or other forms of emergency and temporary accommodation, depending on the situation of each individual client prior to them accessing the project.

The project will help to deliver the Council's priorities, specifically 'Tackling poverty and inequality' and 'Addressing health and social care inequality'.

Harrow Council's Homelessness and Rough Sleeping Strategy has 6 key objectives, one of which is 'supporting rough sleepers to find housing solutions and access other key services. This project will contribute to meeting this objective.

Options considered

1. To continue with the current approach to rough sleeping, including the use of emergency accommodation.
2. To acquire the homes and deliver the support service in-house.
3. To acquire the homes and commission the support service from an external provider.

Options 1 and 2 are rejected because they would not adequately meet the needs of the client group. Additionally for option 2, the council does not have the capacity and skills to provide the support service in-house.

Option 3 meets the need for additional and longer term accommodation to house rough sleepers and enables the council to develop long term solutions which it owns. As the support service is specialist for a fixed period of time and the expertise and resource to deliver this type of specialist service is not available in-house the preferred option is to commission this new service from an external provider.

Background

Harrow has a relatively small social housing stock, a declining rate of home ownership and an increasing private rented sector. 10% of Harrow's households live in social housing, a mixture of around 4,800 Council properties and 4,350 Housing Association properties. Around half of the council's general needs housing stock has been sold under the Right to Buy since 1980. There is a low turnover of social rented homes but a high demand for affordable housing, from homeless households, home seekers on the housing waiting list and existing social housing tenants waiting to move to alternative social housing.

While Harrow has not historically had a high level of rough sleeping, particularly compared to inner London boroughs, recent work during the pandemic has uncovered a need in the community from this client group. New services have been developed over the last year but there is evidence of further need.

The annual rough sleeping count estimate data for Harrow (carried out on one night per year) was 5 in 2020, 15 in 2019 and 13 in 2018. However, an actual count carried out in July 2021 identified 17 rough sleepers in the borough which is more indicative of the true need in the borough.

The CHAIN Annual Report shows the following data for Harrow for the number of people seen rough sleeping in Harrow during the year: 67 in 2020/2021, 45 in 2019/2020 and 30 in 2018/2019.

During the Covid-19 pandemic and the 'Everyone In' scheme, Harrow Council accommodated individuals under the Single Homelessness and Rough Sleeping provisions. This included some individuals who would not usually be entitled to assistance. During 2020/2021 95 rough sleepers were accommodated under the scheme.

Harrow Council's new local outreach team have so far received 24 referrals over 2 months. They have successfully reconnected 8 individuals with other local authorities, referred 4 individuals to the Somewhere Safe to Stay hub or West London Staging Post and accommodated 5 individuals in emergency accommodation. Since April they have also assisted 12 individuals into either supported or private rented accommodation.

Rough sleeping is an ongoing challenge and a range of approaches are needed. This grant funding offers the opportunity to try a new approach, using a housing-led model and Housing First principles, to engage with rough sleepers who may have higher levels of complex needs and may have been reluctant to engage with services previously.

The council has an existing Property Purchase programme so has the necessary in-house expertise to acquire the properties. The nine properties must be acquired and in management by 31 March 2022 to meet GLA grant funding requirements.

The new local outreach team will identify and make the appropriate allocations to the homes. As we do not have the in-house expertise to provide the ongoing support service to the rough sleepers, we have commenced the process of procuring a specialist support provider which will be funded with GLA external grant. In order to meet the GLA grant spending deadlines a Gateway 1 has already been approved to allow the procurement process to begin through open tender.

The scheme proposed has been discussed at the Homelessness Reduction Board and is supported by the partners – other statutory agencies and the voluntary and community sector.

Ward Councillors' comments

As we do not know where exactly where properties will be purchased it is not possible to consult with Ward Councillors now. We will notify the Portfolio Holder for Housing and Ward Councillors as appropriate on the properties proposed for purchase.

Performance Issues

The support service provider will be required to submit a quarterly monitoring data return which will include the GLA Performance Targets. A contract management and monitoring meeting will be held quarterly. Additional

qualitative monitoring information will be required annually, focused on the following key outcomes: personal dignity, choice and control, skills for independent living, developing and maintaining family or other personal relationships, physical and mental health and emotional wellbeing, and accessing and engaging in work, training, education or volunteering. The service provider will also be required to submit case studies.

Environmental Implications

The project will involve the purchase of existing properties, most likely to be ex-Right to Buy (RTB). The properties will be purchased at EPC rating D+ or will obtain this rating following refurbishment e.g. by replacing boilers and inefficient heating systems. Following refurbishment to meet the standards required for social housing we will aim to achieve EPC C where this is possible. In the longer term the properties will be included in agreed programmes for improving energy efficiency further and meeting climate change targets.

With regard to the procurement of the support provider, the Council expects tenderers to demonstrate how, in the performance of this contract, their business and operations will positively contribute towards a reduction in greenhouse gas emissions and good sustainability outcomes in accordance with the Council's aim to progressively work towards achieving a carbon neutral position by 2030. In the context of this contract, potential suppliers will be expected to demonstrate:

- the support and training they give to their staff to enable them to contribute to delivering sustainable and low carbon outcomes
- how they propose to minimise the emissions impact of staff travel in delivering the services
- how in providing the support under this contract they can assist clients to adopt more sustainable lifestyles
- how in delivering this contract, including managing their own supply chain, they will evaluate and work to reduce the overall carbon impact of this contract through its lifetime

Data Protection Implications

The service will be required to meet all statutory standards that apply to it at any given time, including standards relating to the Data Protection Act 2018, the General Data Protection Regulation (GDPR), information governance and data security.

Risk Management Implications

Risks included on corporate or directorate risk register? **No**

Separate risk register in place? **In development**

The relevant risks contained in the register are attached/summarised below.
Yes

The following key risks should be taken into account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
Unable to acquire suitable 1 bed flats for sale in Harrow	<ul style="list-style-type: none"> ▪ Research on suitable properties and availability conducted prior to grant application submission. ▪ Existing in-house property acquisition programme with knowledge of local housing market and current experience of buying properties. 	Green
Costs increase	<ul style="list-style-type: none"> ▪ The Financial information in Appendix 1 sets out the assumptions used which are based on current acquisition, management and maintenance costs. ▪ We monitor the costs constantly to ensure they are in line with assumptions and adjust the programme accordingly. Properties will not be purchased unless they are in accordance with the assumptions. 	Green
Revenue funding ending in March 2024	<ul style="list-style-type: none"> ▪ The initial contract will be until 31 March 2024. ▪ Options will be reviewed at key milestones and the effectiveness of the service will be monitored. ▪ Options will include seeking additional external funding to continue the service, using Homelessness Prevention Grant, offering the accommodation to the last cohort of clients on a permanent basis or using the accommodation for other client groups as social housing. 	Green
Low/no interest in the tender for the support service	<ul style="list-style-type: none"> ▪ Informal engagement carried out with local support providers has indicated that there is likely to be interest. 	Amber
Inability to meet the deadlines set by the GLA due to late announcement of the outcome of the bids	<ul style="list-style-type: none"> ▪ Acquisition procedures already in place so we can mobilise quickly. 	Amber

Risk Description	Mitigations	RAG Status
	<ul style="list-style-type: none"> ▪ Project team in place that meets regularly to oversee progress. 	

Procurement Implications

Appointment of the Support Service provider must be carried out in accordance with Procurement procedures. The support service is to be procured for 28 months from 01/12/2021 to 31/03/2024 (with no option to extend) as one lot. The yearly value is £126,000 and the total value is £294,000.

It is being procured via an advertised competitive tender utilising the Council's e-tendering portal. This route will ensure maximum compliance and transparency with the maximum number of suppliers given the opportunity to bid. The recommended approach to market for this procurement is to carry out an open tender process. The procurement will be advertised on the London Tender Portal and on Contracts Finder which is expected to attract a good number of suppliers interested in bidding for this contract.

In order to meet the delivery targets set by the GLA, a Gateway 1 is being prepared to enable the selection process to commence as quickly as possible. The evaluation criteria will include price, quality, climate change and social value.

Legal Implications

The Council can rely upon its investment powers in section 12, Local Government Act 2003 and upon section 120, Local Government Act 1972 to acquire the nine properties.

Part 7 of the Housing Act 1996 imposes statutory duties on the Council to provide temporary accommodation to homeless applicants in a number of situations. These include when it is assessing a homeless application of a person who it has reason to believe may be eligible for assistance, may be homeless and may be in priority need and when it has completed an assessment and concluded that an applicant is owed the full housing duty.

Section 206 Housing Act 1996 states that a local housing authority may discharge their housing functions under Part 7 of the Act only in the following ways—

- (a) by securing that suitable accommodation provided by them is available,
- (b) by securing that he obtains suitable accommodation from some other person, or
- (c) by giving him such advice and assistance as will secure that suitable accommodation is available from some other person.

Section 208(1) Housing Act 1996 provides that so far as reasonably

practicable a local housing authority shall in discharging their housing functions under Part 7 of the Act secure that accommodation is available for the occupation of the applicant in their district.

The Homelessness Reduction Act 2017 significantly reformed England's homelessness legislation by placing duties on local authorities to intervene at earlier stages to prevent homelessness in their areas. It also requires housing authorities to provide homelessness services to all those affected, not just those who have 'priority need'.

The nine homes will be acquired and held within the Housing Revenue Account and thus can either be let on permanent Secure Tenancies or on a licence if to be used as temporary accommodation.

The support service is being procured in accordance with the Council's procedures by way of an open tender process which ensures compliance with statutory requirements and ensure the maximum number of suppliers have the opportunity to bid.

Financial Implications

The council has been awarded capital and revenue grant funding following a competitive bidding process.

The revenue element of the bid approved by the GLA was for £315,000 with the support function being in place from the start of October. However, this is now due to commence from 1st December 2021. The grant cannot be carried forward, hence the maximum element that can be drawn down and utilised from the GLA is £294k. The support function will be provided through the General fund. The service will need to ensure robust budget monitoring of the grant and ensure that the performance outcomes agreed with the GLA, are monitored and satisfied to ensure no claw back of grant. There is no impact on the General Fund as the costs are covered by the grant. There is no obligation to extend or renew the support contract beyond 31/3/2024.

The capital funding awarded is £1,350,000 towards the purchase of nine x 1 bed flats. The HRA will be contributing additional borrowing of £1,430,916 and utilising £99,999 of s106 monies this financial year. The funding needs to be spent by 31 March 2022. It is therefore proposed to increase the 2021/22 capital programme by £2,880,915 to reflect the additional grant funding and the request for approval to this is included in the Q1 Revenue and Capital Monitoring 2021/22 report also reported to this same Cabinet meeting. The business model and financial assumptions for this project are detailed in Appendix 1 and which demonstrates the project is affordable to the HRA.

Equalities implications / Public Sector Equality Duty

Harrow Council's Homelessness and Rough Sleeping Strategy has 6 key objectives, one of which is 'supporting rough sleepers to find housing solutions and access other key services. This project will contribute to

meeting this objective. An [Equalities Impact Assessment \(EqIA\)](#) was completed for the Homelessness & Rough Sleeping Strategy approved by Cabinet in November 2019 ([here](#)).

We do not consider it necessary to complete an EqIA for this project because the grant is ring-fenced for the specific purpose of providing accommodation and support to nine rough sleepers. This will have a positive impact on these individuals, and potentially on the wider community in view of public concern about rough sleeping. Once the specific location of the properties is known the need for a EqIA will be reviewed.

Council Priorities

The proposal supports the following priorities:

1. **Tackling poverty and inequality**
2. **Addressing health and social care inequality**

Section 3 - Statutory Officer Clearance

Statutory Officer: Tasleem Kazmi
Signed on behalf of the Chief Financial Officer
Date: 06/09/2021

Statutory Officer: Matthew Dineen
Signed on behalf of the Monitoring Officer
Date: 14/09/2021

Chief Officer: Mark Billington
Signed by the Acting Corporate Director
Date: 09/09/2021

Head of Procurement: Nimesh Mehta
Signed by the Head of Procurement
Date: 03/09/2021

Head of Internal Audit: Susan Dixon
Signed by the Head of Internal Audit
Date: 14/09/2021

Mandatory Checks

Ward Councillors notified: NO, as it impacts on all Wards

EqlA carried out: NO

We do not consider it necessary to complete an Equalities Impact Assessment (EqlA) for this project because the grant is ring-fenced for the specific purpose of providing accommodation and support to nine rough sleepers. Once the specific location of the properties is known the need for a EqlA will be reviewed. This has been discussed with the Head of Equality, Diversity and Inclusion.

EqlA cleared by: N/A

Section 4 - Contact Details and Background Papers

Contact: Meghan Zinkewich-Peotti, Housing Strategy Project Manager, Mobile 07395 840490, Meghan.zinkewich-peotti@harrow.gov.uk

Background Papers: None

Call-in waived by the Chair of Overview and Scrutiny Committee

NO