

To: Cabinet Council
Date: 11 November 2020 30 November 2020
Report of: Head of Housing Services
Title of Report: Project Approval and Allocation of Next Steps Accommodation Programme Funding for Affordable Housing Delivery & Homelessness Prevention

Summary and recommendations	
Purpose of report:	To seek project approval and delegations to enable capital spend, under the Next Steps Accommodation Programme, using grant received from Government for the purpose of acquiring additional Council housing for the purpose of reducing rough sleeping. To delegate to officers to enter into property purchase and other necessary agreements for the purpose of delivery affordable housing through this programme.
Key decision:	Yes
Cabinet Member:	Councillor Mike Rowley, Cabinet Member for Affordable Housing and Housing the Homeless
Corporate Priority:	Meeting Housing Needs
Policy Framework:	Housing and Homelessness Strategy 2018 to 2021
Recommendations: That Cabinet resolves to:	
	<ol style="list-style-type: none"> 1. Give project approval to the proposals, to accept grant and enter into spend for the purpose of delivering more affordable housing in Oxford, specifically under the Next Steps Accommodation Programme (NSAP) for the purpose of assisting rough sleepers through more affordable accommodation using a 'Housing First' accommodation model; 2. Note that the budget for further NSAP grant and spend in 2021/22 will be requested in the draft budget 2021/22 report to Cabinet in December 2020, and if agreed, in the budget 2021/22 report to Cabinet and Council in February 2021; 4. Delegate authority to the Director of Housing, in consultation with the Cabinet Member for Affordable Housing and Housing the Homeless; the Head of Financial Services/Section 151 Officer; and the Council's Monitoring Officer, to enter into property purchase and other necessary agreements for the purpose of delivery affordable housing through the NSAP programme, within identified budgets, for the work referenced in this report;

5. **Delegate authority** to the Chief Executive, in consultation with the Cabinet Members for Finance and Asset Management, and Affordable Housing and Housing the Homeless, to approve any agreements over £500,000 for affordable housing, within this project approval and budget envelope; and
6. **Recommend to Council** that it approves a revision to the Housing Revenue Account (HRA) capital budget in 2020/21 of £1,195,750 for the initial purchase of 5 properties, to be funded by capital grant from MHCLG/ Homes England of £150,000; by Oxfordshire Housing and Growth (OGD) Deal funding of £275,000; and HRA Council borrowing of up to £770,750.

Appendices	
Appendix 1	Risk Register

Introduction and Background

1. The Council continues to develop a programme of affordable housing supply through multiple work and funding streams.
2. The Council made a (revenue and capital) bid submission for £1,996,409 funding under the Government's Next Steps Accommodation Programme (NSAP) in late August 2020. This funding programme sought to fund interim and move-on accommodation provision following the 'everyone in' call, at the start of the Covid-19 lockdown period in March 2020, in which emergency self-contained accommodation for rough sleepers and persons living in shared-space homelessness accommodation was rapidly secured.
3. The Government announced in late September 2020, that the interim accommodation and move-on revenue funding was to be awarded to the Council as detailed in the bid submission. The capital element of the bid, to provide more units of accommodation, which includes up to four years' of revenue funding to support clients in these homes, is undergoing further moderation by Homes England, but an announcement is expected shortly.
4. This report is assuming a positive announcement on this funding, with Oxford City Council being allocated the funding identified for this purpose in the bid. The Council needs to mobilise for this now, to have project approval and funding in place by December 2020, in order to ensure the capital spend is made, in accordance with bid requirements, in Quarter 4 (January to March 2021).
5. Should funding not be allocated, then officers propose to reconsider the project to see if any of it remains deliverable within this project approval and within the funding envelope of funds that are still available.

Scheme Details

6. This project seeks to acquire 15 one bed flats to use as Council Social Rented permanent homes. Allocations to these units will be under 'Housing First' principles, allocating homes to vulnerable persons who have been, or are presently, rough sleeping, and who are considered to have complex needs that are not best met through other accommodation options in the 'adult homeless pathway'
7. This is part of a wider Council programme to develop 50 units of Housing First accommodation dispersed throughout Oxford for this purpose. The remaining 35 units will be secured as and when suitable one beds properties become void, over a 2-3 year period (2020/2021, 2021/2022 & 2022/2023), from Council and Register Provider existing housing stock.
8. Approximately, 30 individuals have been identified from the "Everyone In" work, who will be prioritised for this scheme, including 8 individuals who have not been accommodated at all during the lockdown period. The service is for those individuals with multiple and complex needs and a history of entrenched rough sleeping and for those individuals who have a long history of using these pathways and returning back on to the streets.
9. The proposal is to acquire 5 one bed flats in the last quarter of 2020/21 using the NSAP funding; OGD funding; and HRA borrowing. The Council proposes to acquire a further 10 one bed flats for this purpose over 2021/22. The NSAP element of this 2021/22 funding is to be formally bid for under the Homes England 'continuous market engagement' process within the Affordable Housing Programme in April 2021.

Financial implications

10. This report seeks to secure the budget envelope for 2020/21 only, with the 2021/22 budget report addressing next year.
11. The overall funding for the scheme however, is as follows:

Funding/ Year	2020/21 (Qtr 4)	2021/22	Total
Proposed Spend	£1,195,750	£2,391,500	£3,587,250
NSAP Capital Funding	£150,000	£300,000	£450,000
OGD Funding	£275,000	£550,000	£825,000
HRA Borrowing	£770,750	£1,541,500	£2,312,250
Funding Total	£1,195,750	£2,391,500	£3,587,250

12. The schemes and funding, as set out above, are included in the current Oxford City element of the Oxfordshire Housing and Growth Deal programme, as a Year 3 (2020/21) and a Year 4 (2021/22) scheme accordingly.

Legal issues

13. The activity, as set out in this report, relates to activity for the purpose of developing homes as affordable housing, and of preventing homelessness.
14. The Council has the powers to purchase land and property for the development of or use as Affordable Housing by virtue of Sections 1 to 7 of the Localism Act 2011.
15. The Homelessness Reduction Act 2017 places duties on the Council to assess an applicant's needs and to prevent and relieve homelessness.
16. Any procurement of goods and services for the purpose of developing homes will be in accordance with the Council's constitution and procurement procedures complying with The Public Contracts Regulations 2015 for such, including ensuring that value for money is achieved.

Level of risk

17. A Risk Register is provided at Appendix 1.

Conclusion

18. That the Council agrees to spending as set out in this report to further support the delivery of more affordable housing to help vulnerable rough sleepers secure permanent affordable homes, with appropriate support, under 'Housing First' principles.

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Background Papers:	None

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