

To: Cabinet
Date: 16 March 2022
Report of: Executive Director for Communities and People
Title of Report: Allocation of Preventing Homelessness Grant 2022/23

Summary and recommendations	
Purpose of report:	To approve the preventing homelessness grant allocations for 2022/23
Key decision:	Yes
Cabinet Member:	Councillor Diko Walcott, Cabinet Member for Affordable Housing, Housing Security and Housing the Homeless
Corporate Priority:	Thriving Communities
Policy Framework:	Housing & Homelessness Strategy 2018-21 (extended)
Recommendation(s): That Cabinet resolves to:	
<ol style="list-style-type: none"> 1. Approve the allocation of Homelessness Prevention funds to commission homelessness services in 2022/23 as outlined in paragraphs 27 to 28 and in Appendix 2 of the report. 2. Delegate to the Executive Director for Communities and People in consultation with the Portfolio Holder for Affordable Housing, Housing Security and Housing the Homeless the discretion to revise the intended programme within the overall budget if required. 3. Delegate authority to the Executive Director for Communities and People to grant of a 10 year lease on Floyds Row to St Mungo's with a 5 year rent review, and to note that the Council will provide grant funding to St Mungo's if there are any costs arising having taken into account income collected. 	

Appendices	
Appendix 1	Review of allocated homelessness funds 2021/22
Appendix 2	Proposed allocation of homelessness funds 2022/23
Appendix 3	Risk Register

Introduction and background

1. This report presents an overview of how the funding allocated in 2021/22 has been spent and makes recommendations for the allocation of funding in 2022/23 to provide services for rough sleepers and single homeless people in Oxford. Countywide commissioning arrangements have changed significantly for 2022/23 and onwards, which sees a greater proportion of funding allocated to a new countywide service.
2. The report also provides an update on developments this year which have again been dominated by the response to Covid19. Organisations which we fund, as well as those we do not fund, have continued to work tirelessly and in partnership to keep people experiencing homelessness as safe as possible.

Context and key developments 2021/22

3. At the start of the year, the government advised local authorities to end the temporary accommodation of people who would otherwise be rough sleeping, known as the “Everyone In” initiative. This had been launched in March 2020 to ensure emergency housing was provided for vulnerable homeless people, including those living in shared hostel spaces, and those with no recourse to public funds. In Oxford, this included people sleeping on the streets and those in Floyds Row, the sit up (assessment) service at O’Hanlon House and the church-run Oxford Winter Night Shelter.
4. In April 2021 there were 126 spaces of “Everyone In” accommodation in use across three sites, Canterbury House (76 spaces), Oxford YHA (42 Spaces) and Tower House Hotel (8 spaces). These sites were managed by St Mungo’s on behalf of the City Council. Tower House hotel was vacated in April 2021. Work then started to exit Canterbury House. This was led by St Mungo’s but required support from across the homelessness system to help people find accommodation in either privately rented housing, appropriate supported accommodation, or in a few cases, social tenancies. Colleagues in the other Oxfordshire District Councils also assisted with this work as a number of residents had connections to other parts of the county.
5. The provision at Canterbury House came to a successful end in August 2021, with everyone leaving with an offer of accommodation, or support to find accommodation. Where people accepted these offers, but hadn’t secured accommodation by the time Canterbury House closed, a short term hotel placement was made to ensure there was no need for people to return to rough sleeping.
6. The planned exit from Oxford YHA began after the exit from Canterbury House. This site had been used to accommodate people with higher levels of need and so accommodation options for residents here were more limited as in most cases, some form of supported accommodation was required. The exit was initially planned for November 2021 but an extension on the use of the building was obtained until the end of February 2022. At the end of November 14 residents remained in Oxford YHA.
7. The “Everyone In” initiative saw 355 people accommodated with 284 moving on successfully to more settled accommodation. In this period the number of people experiencing rough sleeping has been between a quarter and a third lower than pre-pandemic levels.
8. In the Spring of 2021, rough sleeping numbers had reduced to single figures in some weeks. Since then, they have increased again to around 30, but over this period the number of people in “Everyone In” accommodation has reduced from 126 to 14. The

Council's official street count was conducted in November 2021 which found 24 people rough sleeping. This was an increase on the previous year when 19 were recorded, but is a significant reduction from 43 which was recorded in November 2019.

Floyds Row

9. Since the start of the pandemic, Floyds Row has not been able to be used for accommodation as it had communal sleeping arrangements. The pre-pandemic model had 40 accommodation spaces, with an additional provision of 16 over winter. Plans are in place to return to using Floyds Row on a limited basis. It is possible to accommodate 16 people in a Covid secure manner. It is intended to return to Floyds Row in February 2022, shortly before the lease ends on Oxford YHA. This provision will help to minimise the time people need to spend rough sleeping, and allow plans to resolve their homelessness to be developed in a place of warmth and safety.
10. Prior to the start of the pandemic, work had commenced on granting a lease to St Mungo's on Floyds Row. This was put on hold as resources had to be deployed on meeting the challenge of "Everyone In". As part of the plans to return to Floyds Row, and now all building works have been completed, the lease to St Mungo's also needs to be completed in furtherance of the resolutions made to Cabinet on 3 October 2019 in respect of this matter.
11. If the council was letting Floyds Row as office space it could expect a rent in the region of £230,000 per annum based on a 10 year lease with a rent review in year 5. However significant internal work would be required to convert the building back to this use. The cost of these works is unlikely to be less than £300,000. In a commercial letting it is likely the Landlord would carry out the works rather than offer the tenant a rent free period to do the works. Taking these costs into account, the council could expect a net income of £180,000 for the first five years, and so the rent will be set at this level. After this point an open market rent review would be conducted to set the rental value for the next five year period.
12. The pre-pandemic model for Floyds Row assumed a £196,000 income from Housing Benefit to cover the cost of the lease. Limiting occupation to 16, as outlined in paragraph 9 above, will reduce the expected income to £78,400. As such Cabinet is asked to note that payment of a grant will be made to St Mungo's of up to £180,000 per annum to cover the shortfall between the income and lease cost in each year of the lease agreement, where required. For 22/23 this will be £101,600 if occupancy cannot be increased during the year. Increasing occupancy is dependent on the ability to return to communal sleeping arrangements which will be determined by the path of the Covid pandemic. In practice the grant will take the form of a financial transfer from Housing Needs to Property Services, with the funding coming from the Homelessness reserve for 22/23. In each subsequent year an income projection will need to be made for Floyds Row, and appropriate budgetary provision made if required.

Continuation of joint commissioning arrangements

13. Since 2017, the City Council, together with the Oxfordshire District Councils, Oxfordshire County Council and Oxfordshire Clinical Commissioning Group, have had a pooled budget for the commissioning of supported accommodation for single homeless people. The arrangement was established to mitigate the impact of reductions in Oxfordshire County Council's budget and to maintain the supply of supported accommodation for single homeless people in the county. This collaboration has served to maintain a supply of jointly commissioned bed spaces as part of the Adult Homeless

Pathway, which is complemented by the City and District Councils' commissioning of their own supply of supported accommodation. The current year is the final year of the existing contracts for these services.

14. An extended pooled approach is to be undertaken from 2022/23. A much greater range of services have been commissioned jointly, and these services will be run by an alliance of providers as a single entity. The new service has been commissioned for five years with the option of extending for a further three years. To support the closer partnership working, the City Council's Rough Sleeping and Single Homelessness manager worked jointly with county colleagues on the recommissioning of services.
15. The value of the services commissioned under these arrangements has increased from £846,000 to £3,800,000. The annual contribution from the City Council is increasing from £219,030 to £1,911,399. Of this amount, £968,580 will come from the Council's base budget, with the remaining £942,819 from the Department of Levelling Up Housing and Communities' Rough Sleeper Initiative (RSI) funding programme. There is a risk to services due to be funded in this way, if Government funding is not forthcoming, but this has been the case for each year of the RSI programme. Approval to enter into these new arrangements was obtained from Cabinet on 16 June 2021, and amended in December 2021.
16. This new service will help to deliver many of the aims of the new countywide homelessness strategy. This strategy was reported to Cabinet in the report referenced in the previous paragraph. It seeks to integrate work on homelessness, by bringing Housing, Health, Criminal Justice and Social Care together to tackle the issue. The strategy has been developed with the ambition to ensure no-one needs to sleep rough and to significantly reduce homelessness from the levels experienced in recent times. The new strategy will focus on prevention to identify opportunities for early intervention across the whole system and facilitate rapid action where the risk of homelessness is identified. This will include close working with other systems (e.g. Health, Criminal Justice), to identify people at risk of homelessness as early as possible. It is envisaged that all parts of the system will take joint responsibility for avoiding homelessness and ending rough sleeping. To facilitate this approach a new countywide Homelessness Directors Group was established in November 2021 comprising senior managers from these partnership organisations.
17. Over the lifetime of the new service, the provision of accommodation will be transformed. The services currently commissioned are a Pathway model. People are allocated into accommodation which provides a certain type of support for a fixed period of time. Different types of accommodation provide different levels of support. When someone's support needs reduce they move into accommodation which caters for people with lower needs. Eventually they are able to move into independent accommodation, although this can be a challenge due to a lack of affordable accommodation. Almost all of the supported accommodation in the current pathway is shared accommodation. Many people thrive in these settings, but we also know that many do not.

The new service will change the mix of accommodation with more units being provided as self-contained social tenancies. Support will be provided in accordance with an individual's changing needs. At different times these needs may reduce, but may also increase. The nature of the tenancy means there is no need to try and secure a move on into independent living. As such the new service is not a Pathway model, and will not be referred to in this manner. Work is underway to secure a commitment from social landlords across the county (including the City Council) to provide 50 social units a year

to the new service. It is anticipated that a charter committing organisations to this will be signed by the end of this financial year.

Ensuring sufficient provision to meet Oxford City's needs

18. One of the changes in the new countywide service is that all beds will be available to anyone from Oxfordshire. In the current pooled arrangements, each District Council is allocated a specific number of beds. There are 106 jointly commissioned spaces of which the City Council is allocated 79. In 21/22 the City Council has commissioned 151 of its own beds, which means 231 beds are available to the city.
19. The new countywide service will manage 236 beds. In addition, the City Council will still directly commission 98 further spaces, meaning there is potentially access to 334 beds. The different access arrangements means these numbers are not directly comparable between the two years.
20. The projects commissioned by the City Council have not been included in the new countywide service due either to ongoing contract commitments, or they are projects whose funding was confirmed after the deadline for committing funding to the countywide pool.
21. Demand for supported accommodation remains high, particularly since the exit from "Everyone In" accommodation. Weekly meetings are held with accommodation providers to agree how to allocate void spaces.

Further funding opportunities

22. The City Council has made several successful bids for DLUHC funding, both by itself, and jointly with District and County Council partners. A countywide bid into the RS14 fund secured £2 million for the current year. A further bid into this fund is being constructed at the time of writing with a response expected in April 2022.
23. Two successful bids were made to the government's Rough Sleeping Accommodation Programme (RSAP) this year. In the first round £1.3m in revenue and capital funding was obtained to extend the Housing First programme. In the second round: £2.5m was secured to buy homes to let at Local Housing Allowance rates to people moving on from temporary accommodation, supported housing and those who are rough sleeping. With match funding from the Council and social impact investment company Resonance, this has created a £6.5m pot to buy one-bed flats and shared houses to accommodate 47 people, along with a support service until the end of March 2024.
24. In December, DLUHC provided an additional £335,592 under a new Protect and Vaccinate scheme. This is to ensure people who are rough sleeping can get accommodated through winter, and be supported to get vaccinated against Covid. At the time of writing work was underway to deploy this funding, with 27 people accommodated by the start of February.

Use of Homelessness Prevention Grant in 2021/22

25. Last year's report by the Head of Housing Services on the allocation of homelessness prevention funds indicated that a total of £1,614,684 had been allocated for the delivery of services and support for rough sleepers and single homeless people in 2021/22. There have been a number of developments over the year which have affected actual spending and resource allocation, which are summarised below and set out in detail in

Appendix 1. This results in a small underspend figure of £199,915 which will be utilised to cover the costs of the Floyds Row service.

a) Acacia expansion

A total of £134,453 was allocated towards the development of the Acacia Project, a housing-led service for homeless people with multiple and complex needs. The intention has been to increase provision from 6 to 10 units, but only 1 additional unit has been delivered. At the start of the year, Response took over the project by themselves. Previously it had been delivered jointly with Homeless Oxfordshire. This has given less time to focus on bringing new units in, as they have had to implement a new support service. This has resulted in a forecast underspend of £49,453

b) Mayday complex needs beds

At the end of 2020/21 Mayday advised that the organisation was ceasing to provide housing support as part of a change in their organisational model. This year the contract has been delivered by Connection Support who were able to provide an additional three bedroom property for this service, at an additional cost of £19,500. The cost was met from the contingency provision.

c) Tenant Ready Course

The ongoing pandemic has made it more difficult to deliver this course which was conceived as a face to face format of study. A digital version has now been developed by Connection Support which should support additional uptake. However there is a forecast underspend of £8,000 for the current year.

d) Day Services

Previous day service provision at O'Hanlon House was brought to an end at the end of 2019/20. This had been planned and was not due to the pandemic. "Everyone In" has meant that the majority of rough sleepers have been accommodated for most of the period since then meaning that there is a reduced need for day services. Oxford Winter Night Shelters (OWNS) have opened their own day services project, called The Living Room this year. This, together with the established day service provision from The Porch and The Gatehouse has been sufficient to meet current needs. It is anticipated that day services will also be provided from Floyds Row in 2022/23 which will include provision of showers, laundry facilities and access to a range of support services. For 2021/22 there is an £61,164 underspend for this item.

e) Contingency

A significant contingency provision of £135,798 was made due to the uncertainty caused by the pandemic. However we received an unexpected top-up of £500,000 from DLUHC in our RSI4 funding which has helped to fund support for people new to rough sleeping, and also those exiting Everyone In accommodation. In addition to the complex needs support referenced at point b) above, the contingency was used to fund a new Alliance Manager (£30,000) for the countywide homelessness service, so that post could be recruited prior to the new service commencing. £5,000 was used to establish a Women's Hub to provide advice and support to women on a broad range of issues. This results in £81,298 of the contingency provision being unspent. Expenditure of the contingency provision has been agreed in line with the delegation made by Cabinet in last year's report.

Allocation of Homelessness Prevention Funds 2022/23

26. The Council's budget for 2021/22 allocated £4.177 million towards homelessness and prevention services. Within this is a provision of £1,095,533 for spend in the area of rough sleeping and single homelessness. A further commissioning budget is also available from the Council's own voluntary sector grants budget within Community Services of £442,279. Additionally £316,868 is contributed from funding provided by DLUHC's Next Steps Accommodation Programme (provided to support people's transition from the street into accommodation). This provides £1,854,680 to spend in 2022/23. A previously agreed saving of £81,000 has been taken from this budget. The savings are identified in the following paragraph.
27. The proposed allocations for 2022/23 are shown in Table 1 below, with more details on the areas of commissioning at Appendix 2. In summary, it is proposed to maintain spending across all service areas, at similar levels to the 2021/22 allocations apart from the following exceptions:
- Pooled budget – As outlined in paragraphs 13-18 above most supported accommodation will be included in the pooled budget from next year. This will see the city contribution from this budget increase from £219,030 to £968,580, which includes the City Council's annual contribution of £410,000 for the delivery of Floyds' Row;
 - Acacia – At the start of the year it was planned to move the Acacia project into the new countywide service. However Response, have taken over the delivery of support in this project from Homeless Oxfordshire so it would not be desirable to put this group of vulnerable residents through another change in their support. The Preventing Homelessness Grants budget allows for the project to be retained by the City Council, whilst continuing to meet our funding obligation to the pooled budget in respect of Acacia. This funding will support the start of the transition to the new housing model in the countywide service, enabling the Alliance to take on new Housing First properties before having to exit existing accommodation. This will ensure there is no reduction in current numbers of units in the countywide service. The Housing First model is one used in Acacia, so ensures the funding is still being used for the purpose for which it was intended;
 - Day services- Funding has been reduced in this area due to the reduced demand as outlined in paragraph 26, and contributes to savings required from this budget. We will explore the potential for delivering these services from Floyds Row in 22/23;
 - Welfare Reform team – Funding has been reduced in line with previously agreed savings;
 - Contingency – This area has reduced significantly and reflects the clear plans in place for services as we emerge from the pandemic. The reduction in this area contributes to savings required from this budget;
 - OxThink – There are plans to significantly improve the way in which information is recorded and shared in respect of rough sleeping and homelessness services, requiring a significant upgrade of this system. A significant increase in the budget of £5,000 is required which is expected to be included in the bid into DLUHC's RSI 22-25 funding programme;
 - Women's Hub, Greater Change and Additional Complex beds – These are new services as described in paragraph 26 above;

- The following services will continue to receive funding next year but will receive funding from the Homelessness Prevention Grant as they are preventative in nature:
 - Tenancy Ready Scheme - £16,000
 - Target Hardening/Sanctuary Scheme - £30,000
 - Access to leisure services - £5,000
 - Elmore Tenancy Sustainment - £35,630

Table 1. – Expenditure on Homelessness Prevention 2021-22 and 2022-23

Service	Current Provider/Supplier	Cabinet Report Allocation 21/22	Proposed Allocation 22/23
Matilda House	A2Dominion	£266,000	£266,000
Housing First	Homeless Oxfordshire (countywide service from 1/4/2022)	£47,850	£0
Acacia	Response	£47,850	£95,700
Project 41	Homeless Oxfordshire (countywide service from 1/4/2022)	£150,000	£0
Complex beds	Connection Support (countywide service from 1/4/2022)	£39,272	£0
Additional complex beds	Connection Support	£0	£19,500
OCC Contribution to pooled budget (including Floyds Row)	JMG/County	£219,030	£968,580
Severe Weather Beds	Various - HO, St Mungo's, The Porch,SH	£30,000	£30,000
Rough Sleeping & Street activity service	Thames Valley Police	£30,000	£30,000
City Centre Ambassadors	Oxford City Council	£17,500	£17,500
Tenancy Sustainment Officer	Elmore Community Services (Flexible Homelessness Grant from 1/4/22)	£35,630	£0
Tenant Ready Scheme	Connection Support (FHG from 1/4/22)	£16,000	£0
Welfare Reform Outreach Team	Oxford City Council	£42,379	£0
O'Hanlon House Day Centre	Homeless Oxfordshire	£61,164	£41,164
Gatehouse Café	Gatehouse	£5,580	£5,580
The Porch Day Centre	The Porch	£55,000	£55,000
ETE Workers	Aspire Oxford	£77,623	£77,623
Single Homelessness Team	Oxford City Council	£211,405	£215,533
OxTHINK	Real Systems	£5,000	£0
Target Hardening/Sanctuary Scheme	Oxford City Council (FHG from 1/4/22)	£30,000	£0
Access to Leisure Services	OCC (FHG from 1/4/22)	£5,000	£0
Women's Hub	Aspire/Gatehouse	£0	£7,500
Greater Change	Greater Change	£0	£25,000
Contingency	OCC team	£135,798	£0
		Total:	£1,854,680

28. The proposed allocations will continue to maintain a wide range of services and support for single homeless people in Oxford. However, the following developments may mean that it will be necessary to make some revisions to this programme at the end of the current financial year or early in 2022/23:

a) DLUHC's Rough Sleeping Initiative 22-25 fund

A joint countywide bid for further funding from MHCLG is currently being prepared with a submission date of 25 February 2022. The proposal includes requests to continue funding for a range of projects and initiatives including the following:

- Women's unit
- Pre-recovery unit
- Engagement and Assessment of rough sleepers

Following discussions with DLUHC officials, officers are optimistic that these elements of the bid, will be successful. If they are not, some services may need to be discontinued and/or there may be a need to re-prioritise the 2022/23 allocation.

b) Continuing impact of pandemic

Recent Covid outbreaks at O'Hanlon House, Matilda House and Oxford YHA have been very challenging for providers to manage. It is still unclear when Floyds Row will be able to be occupied in line with the pre-pandemic model. Again in this event a reprioritising of allocations may be required.

29. For the above reasons, it is requested that Cabinet delegates to the Executive Director for Communities and People, in consultation with the Portfolio Holder, the discretion to revise the intended programme within the overall budget.

Financial implications

30. The council will spend £1.855m of its base budget on preventing homelessness in 2022-23 which is shown in table 1 above. Overall the council continues to be successful in grant applications to DLUHC for homelessness spend but the one off annual funding has made it difficult to plan. The new Rough Sleeping Initiative programme from DLUHC will provide three years of funding which is very welcome. This will help to ease the uncertainty around future funding of homelessness.

Performance monitoring

31. In distributing this budget, the Council will ensure that there are clear outcomes and targets in each organisation's service specification which are reported on quarterly. Officers will schedule quarterly, 6-monthly or annual performance monitoring meetings with all services to ensure that outcomes and targets are achieved and issues are addressed in a timely and professional manner.

Legal issues

32. All services funded from Preventing Homelessness Grant should have legal agreements in place setting out the service provider's obligations for services as well as consequences for not fulfilling these obligations.

33. The procurement, commissioning and award of contracts for the provision of services should be undertaken in compliance with the Council's contract rules contained in part 19 of its Constitution.

Level of risk

34. The Risk Register is attached as Appendix 3.

Equalities impact

35. All services in receipt of funding are subject to monitoring which includes equality and diversity.

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Background Papers:
None