

LIVERPOOL CITY REGION COMBINED AUTHORITY

To: The Metro Mayor and Members of the Combined Authority

Meeting: 29 April 2022

Authority/Authorities Affected: All

Exempt/Confidential Item: No

Key Decision: Yes (Number 256, 259 and 260)

REPORT OF THE EXECUTIVE DIRECTOR OF INVESTMENT AND DELIVERY AND PORTFOLIO HOLDER FOR HOUSING AND SPATIAL FRAMEWORK

ACCEPTANCE AND ALLOCATION OF HOMELESSNESS FUNDING AND DELIVERY MODEL FOR HOUSING FIRST

1. PURPOSE OF REPORT

This report seeks Liverpool City Region Combined Authority (“the CA”) approval for receipt and allocation of three homelessness funding streams: Housing First; the Rough Sleeping Accommodation Programme and Rough Sleeping Initiative 5. It also provides an update on the delivery model for the Housing First Programme and seeks approval for the commissioning of complex support for individuals to be housed in properties purchased through the Resonance Homelessness Fund.

2. RECOMMENDATIONS

It is recommended that the Liverpool City Region Combined Authority approves:

- a) the acceptance of grants of up to £8,855,456 from Department for Levelling Up, Housing and Communities (DLUHC) including £5,933,511 to continue the Housing First Programme to March 2024, and a further £2,573,626 through the Rough Sleeping Initiative (RSI) Fund to continue the programme to March 2025, subject to confirmation by Government that such funding is approved;
- b) the continuation of direct delivery of the Housing First programme through the Combined Authority and in partnership with Local Authorities;
- c) the acceptance of up to £627,004 through the Rough Sleeping Initiative 5 programme and allocates £502,864 to commission the delivery of the service in Halton, Knowsley and St Helens.
- d) the commissioning of complex support for individuals to be housed in properties purchased through the Resonance Homelessness Fund, to be funded from the Rough Sleeping Accommodation Programme revenue funding of £1.1m which was accepted by the Combined Authority in January 2022; and

- e) utilising the delegated decision (DD) making system to award the Liverpool City Region Assertive Outreach contract following completion of the procurement process and DLUHC funding confirmation, noting that the DD system requires the approval of the Monitoring Officer and the Combined Authority's Treasurer, thereby ensuring service delivery is not disrupted.

3. BACKGROUND

3.1 Housing First Funding

- 3.1.1 The Housing First Pilot has been delivered by the Combined Authority since August 2019 as one of three national pilots funded by DLUHC (£7.7m over three years). The programme is currently supporting 216 people who have complex needs and entrenched patterns of rough sleeping or homelessness. Over 160 individuals have been housed since the programme started but the current funding is due to end in August 2022.
- 3.1.2 Officers were advised in January that a new funding opportunity was being made available and ringfenced for the three Housing First pilots in the Liverpool City Region, Greater Manchester and West Midlands and to submit proposals with a deadline of 4th February 2022. The funding opportunity was for the period April 2022 - March 2024 to span the period until DLUHC can receive and assess the outcomes of the National Evaluation of the three pilots, which concludes in November 2023.
- 3.1.3 The Combined Authority submitted a bid for a further two years funding which has now been assessed by a moderation panel and outcomes are expected imminently. The funding request for the two-year period is £5,933,511 to continue the Housing First delivery at its current levels with some additional resource requested for peer mentors and combined mental health and substance misuse support.
- 3.1.4 DLUHC also advised that a bid through the Rough Sleeping Initiative (RSI) for a further year's funding i.e. from, April 2024 – March 2025 could be made. The submission date was 25th February with outcomes expected in April 2022. Through co-production Local Authority colleagues and Advisors from DLUHC, a proposal for a further £2,573,626 was submitted.
- 3.1.5 The two funding opportunities could result in funding being secured for the delivery of Housing First until March 2025. Given the potential to secure three further years of funding, Combined Authority officers have considered the delivery model and whether to continue with the current direct delivery by the CA under which support workers are co-located in each Local Authority area or consider an alternative commissioned delivery model.
- 3.1.6 An analysis of both direct delivery and a commissioned model was carried out, setting out the risks and benefits and officers have consulted with Local Authority colleagues. In light of the risk and benefits analysis, and through discussion with Local Authority colleagues, it is proposed to continue with a direct delivery model rather than contract out the service which will ensure continuity and stability of the service.

3.2 Rough Sleeping Accommodation Programme (RSAP) revenue fund

3.2.1 In January 2022, the Combined Authority approved capital investment in a social investment company, Resonance, to purchase a minimum of 60 properties across the City Region for people who are homeless or rough sleeping. A review of the most effective way to deliver support to individuals with complex needs who will be occupying those properties to ensure long-term personal outcomes and tenancy sustainability was undertaken. Approval to commence a procurement exercise for an external service to deliver the support is requested. The support will be delivered on a ratio of 1 staff member to 6 individuals to ensure intensive, consistent support which will help them to settle into communities and eliminate repeat periods of homelessness or rough sleeping.

3.2.2 The revenue fund through RSAP commences when the properties are purchased. The process of purchasing properties has already commenced and is expected to be completed at a rate of 10 per month from June 2022, allowing sufficient time to procure a service before funding commences. It is planned that the contract will cover the period from September 22 to March 24 with a further announcement expected to continue the support service until March 25. It is anticipated that this will attract quality service offers providing positive outcomes and good value for money. The service will be monitored through the Combined Authority's Homelessness Strategy Team.

3.3 Assertive Outreach funding

3.3.1 In March 2018, the Combined Authority received funding as part of DLUHC's Trailblazer programme, including the commissioning of a City Region Assertive Outreach service. The service is currently delivered by the Whitechapel Centre to provide a harm-reduction approach to individuals by reducing the adverse effects of living outdoors. The primary goal of assertive outreach services is to assist people sleeping rough to improve their health and housing outcomes. It involves providing a broad range of risk reduction, health, social and related services. The service has been monitored by the Homelessness Strategy Team ensuring co-ordination across the region, sharing of best practice and consistency of approaches to homelessness prevention. This service has since been funded via the Rough Sleepers Initiative 4 (RSI) funding, which is due to end in June 2022.

3.3.2 DLUHC recently announced a three year funding round for Rough Sleeping Initiative 5 (RSI5), from 2022-25. This will provide an opportunity for local and regional authorities to learn from their successes, increase understanding of people who are sleeping rough and build longer-term interventions. Through discussions with Local Authorities, the Combined Authority has applied for funding in the areas of Halton, Knowsley and St Helens where the continuation of Assertive Outreach services would have most impact as part of their homelessness pathways.

3.3.3 The funding announcement is not anticipated until the end of April 2022, but the current service is only secured until the end of June 2022. To avoid any disruption to the service, the Combined Authority is seeking approval to identify a service provider and award the contract (provided that funding becomes available) within these timescales. It is therefore proposed to commence a new procurement exercise immediately with clear identification to prospective providers that the award is dependent on confirmation of funding allocation through RSI5.

3.3.4 Due to the requirements of the fund, the Combined Authority will retain up to £124,140 over the three years to develop, co-ordinate, and contract monitor the service.

4. RESOURCE IMPLICATIONS

4.1 Financial

4.1.1 The funding requested for Housing First from DLUHC for 2022-2024 is: £5,933,511. The amount requested through Rough Sleeping Initiative (RSI) 5 for 2024-2025 is £2,573,626.

4.1.2 Rough Sleeping Accommodation Programme (RSAP) funding has already been approved by DLUHC at £1,100,000 and is expected to be received in stages through the next financial years (2022-24). The funding will then be used to procure a service partner as set out above.

4.1.3 A funding application has been made through RSI5 for £627,004 for three years and £502,864 of the funding will be used to procure a provider of intensive support and £124,140 will be retained to deliver contract management and support.

4.2 Human Resources

Staffing has been provided for within the budgets identified

4.3 Physical Assets

There would be no further impact on physical assets for any of the funded programmes.

4.4 Information Technology

There are no further IT related issues arising from this report other than those attributed to the business as usual Housing First delivery.

5. LEGAL IMPLICATIONS

5.1 Legal advice and support will be sought on any new Memorandum of Understanding with DLUHC.

5.2 Legal advice and support will be required as part of the contractual arrangements needed to commission services for RSAP and the Assertive Outreach programme.

6. RISKS AND MITIGATION

Risk	Commentary and Mitigation
No further funding for Housing First or Assertive Outreach is secured.	This could put jobs at risk and affect service users on Housing First and Assertive Outreach. Exit planning for the services had already commenced prior to Christmas. For Housing First, this means each service user having a personalised exit plan developed; staff, where applicable, would be placed on the Combined Authority's redeployment register within 6 months from the end of August; discussions with Local Authorities and key stakeholders have taken place to prepare for the end of the funding. Through discussions with DLUHC, officers are hopeful that funding will be secured for the next two years up to March 2024 and an application has been made for a further year's funding through the Rough Sleeping Initiative which will be announced in May 2022.
Variance in funding award compared to funding ask	Various mitigations will be put in place to reflect the budget settlement that is received. For example: changes could be made to the personalisation budget allowance per service user.
Inability to meet the targets set out by DLUHC	<p>This risk has been mitigated in part by the recent Combined Authority, Rough Sleeping Accommodation Programme and Resonance capital investment, through the Resonance Homelessness Fund which will be used to purchase 60 properties in the city region, 30 of which will be for Housing First. Additionally, a minimum two year funding settlement will allow for refreshed conversations with Private Landlords and Social Housing Providers due to the security of funding for the support to service users and are more likely to result in property offers being made.</p> <p>Any risks associated with the failure to achieve the contractual outcomes are mitigated and managed with the level of contract monitoring. Monitoring meetings will be held with each local authority, the provider, and partners, on a regular basis. The Contracts and Reviewing Lead will facilitate regular good practice and information sharing meetings, and the CA will be required to submit data to DLUHC</p>
Commissioning the Assertive Outreach service in advance of the funding outcome	The specification clearly states that no contract will be awarded until funding has been confirmed. Once DLUHC have confirmed the award of the grant, a key decision will be completed to accept and spend the grant funding.

7. EQUALITY AND DIVERSITY IMPLICATIONS

Due regard has been given to The Equality Act 2010 and specifically Section 149. Officers have considered impact on people with protected characteristics as well as the socio-economic status of individuals. The impact of the funding being received and allocated to delivery as outlined in the report are likely to have a positive impact on outcomes for people who might otherwise be unable to access services due to their socio-economic status – namely those who are homeless or rough sleeping. Officers will ensure that social value and equality priorities are clear and robust through the procurement of services. Full and further Equality Impact Assessments will be completed once funding is secured.

8. PRIVACY IMPLICATIONS

Service providers for RSAP and Assertive Outreach will be required to collect data under data protection governance policy and procedures. The Combined Authority will be required to submit data via the Rough Sleeping Initiative data procedures which are governed by DLUHC's framework.

9. COMMUNICATION ISSUES

There are a number of communication activities to be considered once the outcome of the funding bids to the DLUHC are known.

10. CONCLUSION

Funding proposals have been submitted to DLUHC to secure the continuation of service delivery of Housing First and Assertive Outreach services for up to 3 years. It is proposed that the Combined Authority will continue to deliver the Housing First programme and commission services to deliver complex support to individuals through the Rough Sleeping Accommodation Programme grant as well as to deliver the Assertive Outreach service. These will all be done in line with the funding settlement received.

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Appendices:

None

Background documents:

None