

## DECISION ITEM

| REPORT OF                        | MEETING                                   | DATE                            | ITEM NO |
|----------------------------------|---|---------------------------------|---------|
| HOUSING SERVICES MANAGER         | ENVIRONMENT, HEALTH AND HOUSING COMMITTEE | 13 <sup>TH</sup> SEPTEMBER 2022 | 5       |
| <b>HOMELESS PREVENTION GRANT</b> |   |                                 |         |

### PUBLIC ITEM

This item is for consideration in the public part of the meeting.

### SUMMARY

The purpose of this report is to update Committee on the proposed changes to the Homeless Prevention Grant Funding and to request Committee consider a change in approach to allocate the funding within the base budgets of the Housing Services Team.

The Government is committed to preventing homelessness before it occurs and the Homelessness Reduction Act 2017 (HRA) was focussed on ensuring more people get help earlier, reducing the risk of households becoming homeless with intervention at its earliest stage. DLUHC (Department of Levelling Up, Housing and Communities) data shows that intervening when a household is at risk of losing their accommodation is overall more effective in tackling homelessness.

Grant funding for homelessness to assist local authorities in meeting their statutory duties under the HRA was introduced in 2017. The Flexible Homelessness Support Grant (FHSG) and Homelessness Reduction Grant (HRG) gave local authorities more flexibility over the spend to develop services to deliver their Homelessness and Rough Sleeping Strategies. In 2021/22, FHSG and HRG were combined into the Homelessness Prevention Grant (HPG) and provided to all local authorities with the responsibility for housing, to support them to deliver their statutory obligations under HRA.

DLUHC wish to simplify the funding landscape and a technical consultation on the HPG was underway till the 26<sup>th</sup> August 2022, to get information on the various streams of funding local authorities are using to prevent homelessness and pressures/gaps in service provision and funding. Proposals include ensuring funding is allocated: to reflect temporary accommodation pressures; timing of funding and two year allocations; declarations of spend provided by local authorities across prevention and relief support, temporary accommodation prevention and main housing duty support; and, funding to become split annual payments based on the timely returns of HCLIC (Homelessness Case Level Information Collection).

Prior to 2021/22 Local Authorities were able to commit the funding flexibly to projects to enable services to be established to support households in line with the statutory duties (prevention, relief and main housing duty) under the HRA. With the proposed changes to reporting and the requirement for spend to be allocated within the financial year, there is a need to change the approach to how this funding is committed in Fylde. HPG funding is committed up to 21/22 and the change of approach is required for 2022/23 allocation of £107,457 and moving forward.

## RECOMMENDATIONS

### Committee are requested to:

1. Note the contents of this report.
2. Recommend to Finance and Democracy Committee that future funding awarded from 2022/23 under the annual allocation of Homeless Prevention Grant funding from DLUHC is placed within the Housing Services base budget (The grant allocation for 2022/23 is £107,457 and this will form the basis of future years income and corresponding expenditure budgets. Any updates to annual grant allocations will be reflected within future updates of the financial forecast and is identifiable as spend for services provided under the Homeless Reduction Act: prevention and relief duties; provision of temporary accommodation; and main housing duty.

## SUMMARY OF PREVIOUS DECISIONS

### HYPERLINK

<https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/956/Committee/19/Default.aspx> Homeless Reduction Act 2018

[Final update on Fylde Homelessness Strategy 2013-18 06/11/2018](#)

[Fylde Council Homelessness and Rough Sleeping Strategy 2020-2025 draft for consultation 03/09/2019](#)

### HYPERLINK

<https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1099/Committee/19/SelectedTab/Documents/Default.aspx> Fylde Council Homelessness and Rough Sleeping Strategy 2020-2025 07/01/2020

[cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1164/Committee/19/SelectedTab/Documents/Default.aspx](https://cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1164/Committee/19/SelectedTab/Documents/Default.aspx) Update Fylde Council Homelessness and Rough Sleeping Strategy 05/01/2021

[mis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1241/Committee/19/SelectedTab/Documents/Default.aspx](https://mis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1241/Committee/19/SelectedTab/Documents/Default.aspx) Rough Sleeper Initiative Funding 15<sup>th</sup> June 2021

[.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1242/Committee/19/SelectedTab/Documents/Default.aspx](https://cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1242/Committee/19/SelectedTab/Documents/Default.aspx) Private sector HMO Inspection programme 2<sup>nd</sup> September 2021

[mis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1243/Committee/19/SelectedTab/Documents/Default.aspx](https://mis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1243/Committee/19/SelectedTab/Documents/Default.aspx) Accommodation Project for Ex-Offenders and Rough Sleepers 02/11/2021

### HYPERLINK

<https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1244/Committee/19/SelectedTab/Documents/Default.aspx> Update Fylde Council Homelessness and Rough Sleeping Strategy 04/01/2022

### HYPERLINK

<https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1244/Committee/19/SelectedTab/Documents/Default.aspx> Lancashire Changing Futures Project 04/01/2022

## CORPORATE PRIORITIES

|   |  |
|---|--|
| Economy – To create a vibrant and healthy economy |  |
|---|--|

|  |   |
|--|---|
| Environment – To deliver services customers expect       | √ |
| Efficiency – By spending money in the most efficient way | √ |
| Tourism – To create a great place to live and visit      |   |

### **Background to funding to assist local authorities following the introduction of the Homeless Reduction Act 2017**

1. The Government is committed to preventing homelessness before it occurs and the HRA was focussed on ensuring more people get help earlier, reducing the risk of households becoming homeless with intervention at its earliest stage. DLUHC data shows that intervening when a household is at risk of losing their accommodation is overall more effective in tackling homelessness.
2. HRA was implemented by Local Housing Authorities across England from 1<sup>st</sup> April 2018 and its introduction 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 households who are in a 'priority need' category.
3. Enhanced prevention and relief duties were introduced prior to the statutory main housing duty and the periods households could be classed as being threatened with homelessness was increased from 28 days to 56 days. This meant that local authorities are now required to work with people to prevent homelessness at an earlier stage. Appendix 1 details the stages of support households can expect under the Homeless Reduction Act from Local Authorities.
4. Grant funding for homelessness to assist local authorities in meeting their statutory duties under the HRA was introduced in 2017. FHSG gave local authorities more flexibility over their spend on developing services to deliver their homelessness and rough sleeping strategies. This was accompanied by new burdens funding over 3 years to support the implementation of the HRA (2017/18, 2018/19 and 2019/20).
5. In 2020/21 funding was made available again through the FHSG and the Homelessness Reduction Grant (HRG) was introduced to enable local authorities to continue meeting the costs of the HRA following the expiry of the original new burdens funding arrangements (2017-2020).
6. In 2021/22, The FHSG and the HRG were combined into HPG, provided to all local authorities with the responsibility for housing, to support them to deliver their statutory obligations under HRA. It can be used flexibly to help deliver the authorities' homelessness and rough sleeping strategies.
7. The HPG is just one element of the funding local authorities can access to prevent homelessness. Funding is also provided to the Department for Work and pensions through Discretionary Housing Payments. Although this funding is not solely for homelessness, local authorities do use this funding to prevent homelessness and this can include assistance with rent arrears if accommodation is affordable moving forward, rent bonds and/rent in advance.
8. Table 1 (below) details the history of grant funding Fylde Council have received from central Government, to take forward their statutory duties under HRA.
9. There are additional Top Up grants, for example Winter Top Up, Cold Weather and Protect and Prevent Covid 19 grants, that are outside the scope of this report. They cannot be predicted with any certainty and will be dealt with through the normal Committee reporting mechanisms.
10. Funding detailed in Table 1 has been committed up to 2021/22 through the Committee reporting systems into the implementation of projects that ensured the housing service has adapted to the changes in approach required under HRA.

Table 1 – Central Government Funding towards Homelessness Services

| Financial Year | FHSG standard allocation | FHSG Top Up | HPG Top Up | Section 31 HCLIC new Burdon's funding | HRA New Burdon's funding | Homeless Reduction Grant | HPG Allocation | Total    |
|----------------|--------------------------|-------------|------------|---------------------------------------|--------------------------|--------------------------|----------------|----------|
| 2017-18        | £45,834.98               |             |            |                                       | £8,409                   |                          |                | £54,244  |
| 2018-19        | £51,026.56               | £11,000     | £5,000     | £2,953                                | £7,703                   |                          |                | £77,683  |
| 2019-20        | £42,766                  | £11,000     | £5,000     | £2,228                                | £9,927                   |                          |                | £70,921  |
| 2020-21        | £42,766                  |             |            |                                       |                          | £26,655                  |                | £69,421  |
| 2021-22        |                          |             |            |                                       |                          |                          | £107,457       | £107,457 |
| 2022-23        |                          |             |            |                                       |                          |                          | £107,457       | £107,457 |

### Change of approach to Homeless Prevention Grant funding from 2022/23

11. DLUHC wish to simplify the funding landscape and a consultation was underway till the 26<sup>th</sup> August 2022 to get information on the various streams of funding local authorities are using to prevent homelessness and pressures/gaps in service provision and funding. Fylde Council have responded to this.
12. The recent spending review covering 2022-25 provided an opportunity for Government to look again at the homelessness funding landscape and develop a longer-term ambition for the HPG to ensure funding continues to be fairly allocated according to current pressures faced by local authorities and identify effective interventions to help prevent homelessness and rough sleeping and fully enforce the support local authorities can provide under HRA.
13. The aims of the consultation were to ensure that funding is: distributed fairly to local authorities based on the current picture of need; changes to funding allocations can be incorporated into service delivery to enable local authorities to meet their statutory homelessness duties; and, for Government to understand how the funding is spent specifically around prevention and relief of homelessness support, temporary accommodation provision and move on support.
14. Proposals include ensuring funding is allocated: to reflect temporary accommodation pressures; timing of funding and two-year allocations; declarations of spend provided by local authorities across prevention and relief support, temporary accommodation prevention and main housing duty support; and, funding to become split annual payments based on the timely returns of HCLIC.
15. Spend is defined in the consultation as: staffing, landlord incentive schemes, externally commissioned support services, actual temporary accommodation costs and administration, and purchasing of household goods. Moving forward there is a requirement for spend to be allocated to the financial year.
16. Prior to 2021/22 Local Authorities were able to commit the funding flexibly to projects to enable services to be established to support households in line with the statutory duties (prevention, relief and main housing duty) under the HRA.
17. With the proposed changes to reporting (paragraphs 17 and 18) and the requirement for spend to be allocated within the financial year, there is a need to change the approach to how this funding is committed in Fylde. HPG funding is committed up to 21/22 and the change of approach is required for 22/23 allocation of £107,457 (Table 1) and moving forward.

## **Current projects supported in Fylde from the FHSG and HPG up to 2021/22 allocations**

18. Fylde Council have projects, currently supported under the FHSG and HPG up to 2021/22. During this time the emphasis on the funding was to assist local authorities in developing services to respond to HRA.

### **19. Rapid Rehousing project HRA Act 2018**

- a. In response to Government's commitment under the Rough Sleeping Strategy to end rough sleeping by 2027 funding was secured under the Rough Sleeping Initiative to employ a Navigator and Supported Lettings Officer initially till March 2021. There was uncertainty as to whether this funding would continue into Year 3 due to additional funding received under the Next Steps programme to support homeless households in Covid 19 recovery.
- b. To reduce the risk of losing staffing resources the FHSG and HRA funding received in 2019/20 totalling £70,921 and 2021/21 totalling £69,421 received approval to continue the Navigator and Supported Letting Officer post to 2025/26. Funding has also been placed into a HRA Initiative budget and funded the continuation of a customer services housing specialist role till March 2022. The customer services role has now ended.

### **20. HMO Inspection programme HRA Act 2018**

- a. The private sector in Fylde has an essential role in meeting the housing needs of clients facing homelessness. Prior to the inspection programme inspections of the condition of private sector dwellings were undertaken in a reactive way as a response to tenant complaints. This project is proactively inspecting accommodation to improve living conditions in the private sector.
- b. The HPG grant of £107,457, 2021-22 has been allocated to this project to employ two members of staff – Technical Co-ordinator post for 18 months and Housing Services Officer post for 12 months. Funding has also been used to provide a computer system for the project, equipment and HRA initiative budget.

### **21. Changing Futures Programme**

- a. The Changing Futures programme was announced by the then Ministry of Housing, Communities and Local Government ('MHCLG') in December 2020 and local authority areas were invited to submit an expression of interest for the funding. Changing Futures is focussed on improving outcomes for people facing multiple disadvantages. The programme is a significant cross-cutting challenge and collaboration between local partners, government departments, the NHS, the voluntary and community sector and those with lived experience to co-ordinate a better system-wide response to address multiple disadvantages. The target cohort the programme is to support is Lancashire adults, experiencing 3 or more multiple complex needs indicators, for example mental health issues, substance misuse and history of failed tenancies.
- b. This model includes accessing Enhanced Service Hub support, which is existing provision from Statutory Agencies, enhanced with additional resources as part of the bid. As part of the Enhanced Service Hub support 'Fylde Coast', there are to be appointed three Housing Support Workers, one within each of the Fylde Coast authorities. Fylde Council has been awarded £62,500 to appoint a Housing Services Officer for a 25-month period as part of the enhanced service hub support offer.
- c. As the role was a Housing Services Officer post at scale 6 a virement from Homeless Reduction Act initiatives (5270/46712) for 21/22 and 22/23 to supplement additional employee costs.

## **Conclusion**

22. With the proposed changes to the Homeless Prevention Grant funding in relation to reporting (Paragraphs 17 and 18) and the requirement for spend to be allocated within the financial year, there is a need to change the approach to how this funding is committed moving forward, from the 2022/23 allocation of £107,457 (Table 1).

23. Committee are requested to note the contents of this report and recommend to Finance and Democracy Committee that future funding awarded under the annual allocation of Homeless Prevention Grant funding from DLUHC is placed within the Housing Services base budget and identifiable as spend for services provided under HRA: prevention and relief duties; provision of temporary accommodation; and main housing duty.

| IMPLICATIONS                            |   |
|---|---|
| Finance                                 | The committee is requested to recommend to Finance and Democracy Committee that future funding awarded from 2022/23 under the annual allocation of Homeless Prevention Grant funding from DLUHC is placed within the Housing Services base budget (The grant allocation for 2022/23 is £107,457 and this will form the basis of future years income and corresponding expenditure budgets). Any updates to annual grant allocations will be reflected within future updates of the financial forecast and is identifiable as spend for services provided under the Homeless Reduction Act: prevention and relief duties; provision of temporary accommodation; and main housing duty. |
| Legal                                   | None  |
| Community Safety                        | None  |
| Human Rights and Equalities             | None  |
| Sustainability and Environmental Impact | None  |
| Health & Safety and Risk Management     | None  |

| LEAD AUTHOR     | CONTACT DETAILS  | DATE       |
|-----------------|--|------------|
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| BACKGROUND PAPERS   |              |   |
|---|--------------|---|
| Name of document  | Date         | Where available for inspection  |
| MHCLG Rough Sleeping Strategy                                     | August 2018  | <a href="https://www.gov.uk/government/publications/the-rough-sleeping-strategy">ps://www.gov.uk/government/publications/the-rough-sleeping-strategy</a> " <a href="#">MHCLG The Rough Sleeping Strategy</a>  |
| Fylde Council Homelessness and Rough Sleeping Strategy 2022-25    | January 2020 | <a href="https://www.fylde.gov.uk/resident/housing/homelessness-our-legal-duties/">ov.uk/resident/housing/homelessness-our-legal-duties/</a> " <a href="#">Fylde Council Homelessness and Rough Sleeping Strategy</a>   |
| Homeless Prevention Grant 2023/24 onwards: Technical Consultation | August 2022  | <a href="https://www.fylde.gov.uk/government/consultations/homelessness-prevention-grant-202324-onwards-technical-consultation/homelessness-prevention-grant-202324-onwards-technical-consultation">ov.uk/government/consultations/homelessness-prevention-grant-202324-onwards-technical-consultation/homelessness-prevention-grant-202324-onwards-technical-consultation</a> " \1 "the-case-for-change" <a href="#">Homeless Prevention Grant Technical</a> |

|  |  |                              |
|--|--|------------------------------|
|  |  | <a href="#">Consultation</a> |
|--|--|------------------------------|

Attached documents  
Appendix 1 – Homeless Reduction Act diagram