

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD2687

### Title: The Mayor's Rough Sleeping Accommodation Programme

#### Executive Summary:

The Mayor has secured funding from the Government's £433m four-year national fund to deliver accommodation and associated support for former rough sleepers – the Rough Sleeping Accommodation Programme. £160m nationally is being made available for affordable homes to be delivered by the end of 2020/21, of which £66.7m (£57.8m of capital and £8.9m revenue) has been allocated to the Mayor to deliver 900 homes in London and provide one year's support to the residents of this accommodation. Revenue funding of £26.7m (£8.9m per year) will also be made available in each year from 2021/22 to 2023/24 to support the people living in these homes. The Government will also fund programme costs of £2.1m for referrals, staffing and legal costs between 2020/21 and 2023/24. This is a total of £95.5m for capital and revenue funding.

Where housing providers secure funding to deliver homes through this programme, they or a partner organisation will also be able to receive revenue funding to pay for the support they provide to people living in the homes.

This decision seeks approval for the GLA to receive and allocate this funding.

#### Decision:

That the Mayor approves:

- 1) receipt of £93.4m of funding from Government to support the delivery of 900 affordable homes for rough sleepers by 31 March 2021 and the provision of four years of support to people housed in this accommodation;
- 2) allocation of the above funding of £93.4m to support the delivery of 900 affordable homes for rough sleepers by 31 March 2021 and the provision of four years of support to people housed in this accommodation;
- 3) receipt of £2.1m from the Government for referral, staffing and legal costs from 2020/21 to 2023/24 and allocation of the funding to expend those costs; and
- 4) the delegation of authority to the Executive Director of Housing and Land and the Deputy Executive Director of Housing and Land acting jointly or separately to approve funding allocations in line with decision making processes for the Affordable Homes Programme (as set out in Mayoral Decision Making in the GLA) and the MoU with central Government for the Rough Sleeping Accommodation Programme.

#### Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

4/6/21

## PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

### Decision required – supporting report

#### 1. Introduction and background

- 1.1. The Mayor has secured funding from the Government's £433m four-year national fund to deliver longer-term move-on accommodation and associated support for rough sleepers – the Rough Sleeping Accommodation Programme (RSAP). £160m nationally is being made available for affordable homes to be completed by 31 March 2021. £66.7m (£57.8m of capital and £8.9m of revenue) has been allocated to the Mayor for 2020/21, to deliver and support 900 units of accommodation in the capital, along with £8.9m of revenue for each of the subsequent three years to provide support to those homes. MHCLG will also make available £2.1m funding for programme costs from 2020/21 to 2023/24.
- 1.2. Further funding allocations will be made in future years, with the national profile for the programme set out below.

	2020/21	2021/22	2022/23	2023/24	Total (£m)
<b>Capital (£m)</b>	130.0	82.7	23.6	0.0	236.4
<b>Revenue (£m)</b>	31.4	51.4	57.1	57.1	197.0
<b>Total (£m)</b>	161.4	134.1	80.7	57.1	433.4

- 1.3. This new fund is being launched at a momentous time for rough sleeping in London. In response to the Covid-19 pandemic, the GLA, in partnership with the London boroughs, charities and the Government, took swift action to ensure the city's rough sleepers were protected from the virus. Over 5,000 homeless people have been given emergency accommodation in the capital, of which around 1,700 have been housed in accommodation procured by the GLA.
- 1.4. The GLA and boroughs are committed to implementing the Mayor's In For Good principle, so that everyone accommodated receives an offer of support so that they do not need to return to rough sleeping. The operation to move people on is at least as challenging as that to move everyone in and longer-term accommodation will be needed for the vast majority of those accommodated.
- 1.5. The current crisis underlines the importance of this funding. But it is not only needed for those in emergency accommodation as a result of the pandemic. It is also required to provide longer-term homes for those who left the streets a while ago and are currently in hostels or other supported housing and ready to move on with their lives. There is also a pressing need for longer-term homes for those who remain or arrive on the streets, particularly given predictions of increasing homelessness arising from the economic impacts of Covid-19.
- 1.6. Arrangements for administering new funding will be combined with those for the Mayor's £50m Move On Programme (approved through MD2052, MD2467, MD2515, MD2282). The Move On Programme funding will continue to be available for homes for victims of domestic abuse, including support for those living in the properties delivered.
- 1.7. The GLA and MHCLG have entered into a Memorandum of Understanding (MOU) that sets out the terms of the RSAP funding and the responsibilities of each of the parties.

#### *Capital and revenue funding to deliver homes and provide support*

- 1.8. The funding is flexible and can be used for a wide variety of schemes and approaches on a capital or revenue-only basis or with a combination of capital and revenue. The homes developed through the programme will be geographically dispersed throughout the capital. A variety of different approaches will enable the fund to maximise the number of homes delivered.
- 1.9. A key feature of this fund is that it includes a very significant element of revenue funding. For every home delivered, up to four years' support can be funded. Support can be provided by the housing provider delivering the homes, an organisation partnering with the housing provider or through the

Tenancy Sustainment Teams (TSTs) commissioned and funded by the Mayor. Revenue funding can also be used for other purposes, including minor repairs.

#### *Revenue funding for administrative costs*

1.10. MHCLG has committed to fund the GLA's administrative costs associated with delivering the programme between 2020/21 and 2023/24:

- £1,194,957 to support the administration of referrals and nominations. This will, in the main, be administered via the Clearing House service, which is commissioned and funded by the Mayor. The Clearing House will be responsible for matching the level of need with the support available, making appropriate nominations and ensuring that the lettings made are appropriate and sustainable. The Clearing House will also compile information on ongoing referrals, nominations and lettings, to enable monitoring by the GLA and MHCLG of the programme;
- £716,247 for staffing; and
- up to £200,000 for legal costs.

#### *Co-production and bidding process*

1.11. Funding guidance has been published on the GLA's website, and the GLA and MHCLG will support organisations to co-produce bids<sup>1</sup>. Bids will be assessed according to the criteria set out in the prospectus. GLA and MHCLG officers will assess bids and, following peer review, make recommendations for funding allocations. The Executive Director of Housing and Land or Deputy Executive Director of Housing and Land will approve funding allocations for the GLA, in line with decision making processes for the Affordable Homes Programme.

1.12. The bid round ran from 18 July to 20 August 2020. Any unallocated funds may be made available through continuous bidding thereafter.

## **2. Objectives and expected outcomes**

2.1. The aim of the programme is to boost delivery of affordable accommodation for rough sleepers, former rough sleepers or those at risk of rough sleeping, and to provide them with the support they need to move on and rebuild their lives.

2.2. The key objectives are:

- to ensure that as few people as possible return to streets from emergency accommodation put in place during COVID-19. As COVID-19 remains a health risk, it is also essential that people, particularly those who are at increased risk of severe illness, are kept safe;
- to continue to ensure a response to those who remain or arrive on the streets who are at risk of Covid-19;
- to ensure longer-term accommodation and support solutions for those already in a rough sleeping pathway – enabling them to move on to independent living; and
- to free up spaces in hostels so that supported accommodation is available for those that need it.

2.3. Outcomes will include:

- access to affordable accommodation;
- improved mental and physical health, well-being and resilience;
- greater financial inclusion;
- engagement with treatment, for those with substance misuse needs;

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<sup>1</sup> <https://www.london.gov.uk/what-we-do/housing-and-land/increasing-housing-supply/funding-supported-and-specialist-housing>

- engagement with employment, education, training, volunteering or meaningful activity; and
- move-on to fully independent living.

### 3. Equality comments

- 3.1. Under section 149 of the Equality Act 2010, as public authorities, the Mayor and GLA are subject to a public-sector equality duty and must have 'due regard' to the need to (i) eliminate unlawful discrimination, harassment and victimisation; (ii) advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and (iii) foster good relations between people who share a relevant protected characteristic and those who do not. Protected characteristics under section 149 of the Equality Act are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status (all except the last being "relevant" protected characteristics).
- 3.2. Of those seen rough sleeping in 2018/19:
- 51 per cent were non-UK nationals;
  - 50 per cent had a mental health need;
  - 16 per cent were women;
  - most of those seen rough sleeping (56 per cent) were in the 26-45 age group;
  - eight per cent were under 26 years old;
  - 12 per cent were over 55; and
  - five people were under 18.
- 3.3. Given the above, the proposals in this paper are likely to have positive impacts on a number of groups with protected characteristics. As rough sleepers are over-represented among those with the protected characteristics of race and disability, the proposals are likely to have positive impacts on these groups. In addition, victims of domestic abuse are more likely than the general population to be women, to have mental health support needs and to be from a BAME group.

### 4. Other considerations

#### a) Key risks and issues

- 4.1. Key risks are set out in the following table:

Risk description	Rating	Mitigating action
<p>The funding could be under-subscribed, with reasons for this including</p> <ul style="list-style-type: none"> <li>- uncertainty and delays to development from Covid-19 limiting providers' appetite to take up the full amount of funding available</li> <li>- poor quality bids</li> <li>- having only one year's funding available.</li> </ul>	<p>Medium risk</p>	<p>The programme is being promoted widely among investment partners and increased engagement will take place during the five-week bidding round with G15 members and London boroughs. Any issues that may deter bidding will be promptly addressed.</p> <p>While there continues to be some uncertainty for development due to Covid-19, officers will work with providers to identify and mitigate potential risks.</p>

		<p>GLA officers are working in partnership with MHCLG officials to promote the programme and co-produce proposals.</p> <p>The GLA is encouraging bidders to submit longer term bids, to build a pipeline for future years.</p>
The GLA's OPS system for administering grants is not in place at the time of allocations, increasing resourcing requirements to process payments and monitor projects.	Medium risk	GLA officers will work with the OPS team to identify solutions. Where this cannot be delivered in time for funding allocations, officers will establish robust monitoring and payment systems.
Insufficient time from confirmed allocations to 31 March 2021 results in some schemes being unable to achieve completions by 31 March 2021.	Medium risk	GLA officers will work closely with successful bidders to identify any potential delivery delays at the earliest opportunity and to provide additional support to overcome barriers to delivery by March 2021.
Support providers being provided with grant funding perform poorly.	Low risk	Bids for support funding will be assessed against a range of criteria, including required skills, knowledge, expertise and capacity to provide appropriate and high quality support. Robust grant agreements, rigorous and thorough GLA monitoring and oversight, and excellent relationships between the GLA and support providers will identify risks of poor performance so they can be rectified quickly and appropriately.

*b) Links to Mayoral strategies and priorities*

- 4.2. Since 2016, the Mayor has coordinated efforts through his Life off the Streets taskforce to identify, implement, lobby for, and monitor the effectiveness of interventions to tackle rough sleeping. In his London Housing Strategy, the Mayor set out his aim that there should be a sustainable route off the streets for every rough sleeper in London. In June 2018, he published his Rough Sleeping Plan of Action which outlines the steps that need to be taken by City Hall, the Government, and others to achieve this.
- 4.3. Since taking office, the Mayor has been expanding the pan-London rough sleeping services the GLA funds and commissions. These services collectively form his Life off the Streets programme. They are services for rough sleepers, or initiatives to tackle rough sleeping, that cannot or would not be provided at a London borough level, as they are pan-London or multi-borough in their remit.
- 4.4. The objectives of this proposal are in line with the Mayor's London Housing Strategy policy 7.2C: 'The Mayor will work with councils and others to improve the provision of accommodation for rough sleepers.'

*c) Consultations and impact assessments*

- 4.5. The London Housing Strategy sets the strategic framework underpinning the Rough Sleeping Accommodation Programme and was subject to public consultation and equalities impact assessments in 2017-2018.
- 4.6. The Rough Sleeping Plan of Action was developed with the support of the Mayor's Life off the Streets taskforce.

## Conflicts of interest

- 4.7. The officers involved in the drafting and clearance of this form have identified no known conflicts of interest.

## 5. Financial comments

- 5.1. This decision requests approval to:

- receive and allocate £66.7m (£57.8m of capital and £8.9m of revenue) from MHCLG to deliver 900 units of accommodation by 31 March 2021 and support for people in that accommodation;
- receive and allocate £26.7m revenue funding from MHCLG for support for people in the RSAP accommodation for up to three further years; and
- receive £2.1m revenue funding to cover programme costs between 2020/21 and 2023/24. Referral and staffing costs will be paid to GLA annually in advance. Legal costs of up to £200,000 for the life of the programme – will be paid to the GLA quarterly in arrears.

- 5.2. The indicative profile of the funding from MHCLG and spend is set out here:

	2020/21	2021/22	2022/23	2023/24	Total agreed to date
<b>Capital</b>	£57,800,000	TBC	TBC	TBC	£57,800,000
<b>Revenue</b>	£8,900,000	£8,900,000	£8,900,000	£8,900,000	£35,600,000
<b>Revenue (programme costs - referrals)</b>	£183,162	£386,323	£310,098	£315,374	£1,194,597
<b>Revenue (programme costs - staffing)</b>	£138,750	£188,700	£192,474	£196,323	£716,247
<b>Revenue (programme costs - legal)</b>					£200,000
<b>Total</b>	£67,021,912	£9,475,023	£9,402,572	£9,411,697	£95,511,204

## 6. Legal comments

- 6.1. The foregoing sections of this report indicate that the decisions requested of the Mayor fall within the statutory powers of the Authority to promote and/or to do anything which is facilitative of or conducive or incidental to social development within Greater London and in formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:

- (a) pay due regard to the principle that there should be equality of opportunity for all people;
- (b) consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
- (c) consult with appropriate bodies.

- 6.2. In taking the decisions requested of him, the Mayor must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and

foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.

*Expenditure of funding from central government*

- 6.3. Decisions 1, 2 and 3 of this decision form seek the approval to receive a total of £95.5m in funding from central government and the approval for expenditure of that funding. The officers are reminded to ensure that they comply with (a) any conditions imposed by central government on the use of that funding; and (b) the requirements of the Authority's Contracts and Funding Code.
- 6.4. Furthermore, where funding is to be granted by the GLA for the provision of low cost rental accommodation, it should be noted that sections 31 to 36 of the Housing and Regeneration Act 2008 (as amended by section 333ZE of the Greater London Authority Act 1999) will apply. This includes the requirement that the Authority impose a condition ensuring that a registered provider of social housing be the landlord at the time when the accommodation is made available for rent.

*Delegation*

- 6.5. Any function exercisable by the Mayor on behalf of the Authority may also be exercised by a member of the Authority's staff albeit subject to any conditions which the Mayor sees fit to impose. To this end, the Mayor may make the requested delegation to the Executive Director of Housing and Land and to the Deputy Executive Director of Housing and Land if he so chooses.

**7. Planned delivery approach and next steps**

- 7.1. Bidders to the Rough Sleeping Accommodation Programme submitted their proposals to the GLA through an initial bidding round, which closed on 20 August 2020. At the time of writing, bid assessment had commenced, with moderation to be undertaken by GLA and MHCLG officers and recommendations made to a joint peer review group for funding allocations thereafter. The Executive Director of Housing and Land or Deputy Executive Director of Housing and Land will approve funding allocations for the GLA, in line with decision making processes for the Affordable Homes Programme.
- 7.2. The GLA will enter into grant agreements with successful bidders and will monitor and performance manage successful projects.
- 7.3. The GLA and MHCLG have entered into a Memorandum of Understanding (MOU) that sets out the terms of the funding and the responsibilities of each of the parties. It includes the commitment to pay staffing, legal and referrals costs between 2020/21 and 2023/24.

<b>Activity</b>	<b>Timeline</b>
Publication of funding guidance and launch of programme	18 July 2020
Co-production of bids	18 July to 20 August 2020
Initial bidding deadline	20 August 2020
Moderation of bids	August/September 2020
Funding allocations announced	September 2020
Continuous bidding, if needed	TBC
Delivery of homes	By 31 March 2021
Delivery of support	Over four years from the first letting

**Appendices and supporting papers:**

None.

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

**Part 1 - Deferral**

**Is the publication of Part 1 of this approval to be deferred? NO**

**Part 2 – Sensitive information**

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

Leanne Keltie has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Sponsoring Director:**

Rickardo Hyatt has reviewed the request and is satisfied it is correct and consistent with the Mayor’s plans and priorities.

✓

**Mayoral Adviser:**

Tom Copley has been consulted about the proposal and agrees the recommendations.

✓

**Advice:**

The Finance and Legal teams have commented on this proposal.

✓

**Corporate Investment Board**

This decision was agreed by the Corporate Investment Board on 1 September 2020.

**EXECUTIVE DIRECTOR, RESOURCES:**

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

**Signature**

**Date**

*D. Gove*

2 September 2020

**CHIEF OF STAFF:**

I am satisfied that this is an appropriate request to be submitted to the Mayor

**Signature**

**Date**

*D. Bellamy*

1 September 2020