

Cabinet

8 January 2018

**Name of Cabinet Member:**

Cabinet Member for Housing and Communities – Councillor E Ruane

**Director Approving Submission of the report:**

Deputy Chief Executive (People)

**Ward(s) affected:**

All

**Title:**

**West Midlands Combined Authority Housing First Pilot Programme and Delivery in Coventry**

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**Is this a key decision?**

Yes - The Housing First Pilot is a West Midlands Combined Authority wide programme, and will be significant in terms of its effect on communities living or working in an area comprising two or more wards or electoral divisions in the area of the City

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**Executive Summary:**

The West Midlands Combined Authority (WMCA) is engaged in a pilot programme of Housing First to deal with the increasing number of people sleeping rough in the region. The Ministry for Housing Communities and Local Government has allocated £9.6m to the West Midlands Combined Authority area to provide support for up to 206 entrenched Rough Sleepers per year to provide support packages to help prevent them going back on the streets. Coventry's share of this programme is £1,673,725 for up to 110 people altogether or up to 37 per year for the three years of the pilot (2018-2021). This grant will also provide support for up to a further two years following the end of the 3 year pilot period (2021-2023 based on financial years).

This report provides details of the Housing First Pilot for the West Midlands Combined Authority and details of the City Council's responsibilities for the funding allocation and implementation of the pilot. This covers the principles of Housing First, the governance arrangements, financial envelope and assessment criteria.

**Recommendations:**

The Cabinet is requested to:

- 1) Authorise that the Council accepts the funding allocation of £1,673,725 from the Ministry of Housing, Communities and Local Government (MHCLG) via the West Midlands Combined Authority (WMCA).

- 2) Delegate authority to the Deputy Chief Executive (People), following consultation with the Director of Finance and Corporate Services, to accept the terms and condition of the grant, to enter into the necessary partnership agreement.
- 3) Approve the implementation of the Housing First Pilot to help deliver and sustain tenancies for up to 110 rough sleepers across the City of Coventry as set out in the Implementation Plan (Appendix 2 to the report).
- 4) Authorise the Deputy Chief Executive (People), following consultation with the Cabinet Member for Housing and Communities, to undertake the appropriate procurement process to appoint the necessary support services and secure appropriate accommodation options.

**List of Appendices included:**

Appendix 1 - Partnership Agreement

Appendix 2 - WMCA Implementation Plan

**Background papers:**

None

**Other useful documents**

The delivery of the Housing First Pilot Programme is identified as a key action within the draft Housing and Homelessness Strategy. It is expected to be an important element in helping prevent and end rough sleeping across Coventry.

The draft Housing and Homelessness Strategy was issued for consultation until the 18<sup>th</sup> December 2018 having been considered by Cabinet at its meeting on the 30<sup>th</sup> October 2018.

<http://democraticservices.coventry.gov.uk/ieListDocuments.aspx?CId=124&MId=11807&Ver=4>  
agenda item 67

**Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No

**Report title:**

**West Midlands Combined Authority Housing First Pilot Programme and Delivery in Coventry**

**1. Context (or background)**

**1.1** Housing First is an approach to meeting the housing and subsequent support issues of some of the most vulnerable and excluded people in society. Housing First has substantial history in New York, and other areas of USA, Norway, the Netherlands, and in relatively small scale around part of the UK. The prevailing view in the UK is that the model has evidenced success with some cohorts of people whilst for others more traditional supported housing mechanisms will continue to be required.

**1.2** Housing First has seven key principles:

- People have a right to a home;
- Flexible support is provided for as long as it is needed;
- Housing and support are separated;
- Individuals have choice and control;
- An active engagement approach is used;
- The service is based on people's strengths, goals and aspirations;
- A harm reduction approach is used.

**1.3** Birmingham City Council, in consultation with other Local Authorities within the WMCA, produced and submitted a Housing First bid to MHCLG in summer 2017. Subsequently the Secretary of State invited WMCA to submit a bid for Housing First for the region. This bid was developed by Birmingham City Council in consultation with the Homelessness Taskforce and constituent members (including Coventry City Council) and submitted by WMCA, for a total value of £10.8m.

**1.4** In October 2017 Government announced £28m for three Housing First pilots, to be shared between Greater Manchester, Merseyside region and the WMCA. Following subsequent discussions, the WMCA has been awarded £9.6m, the largest of the allocations. This is to deliver Housing First for the three year period 2018-21 with a further two years of legacy support.

**1.5** Although it is a pilot programme, Housing First is intended to have a significant and visible impact upon the number of people sleeping rough on the streets. Housing First is also being viewed by central government as a potential mechanism for savings in the Supported Housing sector.

**1.6** The WMCA bid is deemed sufficient to enable up to 206 people to be supported in Housing First each year for three years. Coventry's share of this is £1.674m for up to 37 people per year. The grant is essentially to fund a three year programme but the last year will fund years 4 and 5 so the programme is essentially 3 plus 1 plus 1. Birmingham City Council is the accountable body. The funds primarily pay for intensive support for people in mainstream housing. This is not 'supported housing' but more akin to floating support. Additional funds are provided for street outreach, nursing, substance support, accommodation access support and crisis interventions and includes support for property sourcing, a bond scheme for landlords, evaluation costs and commissioning costs. An implementation plan has been developed for the regional pilot (Appendix 1). Alongside this each authority is expected to produce its own mobilisation plan. The draft Coventry Plan is attached to this report (Appendix 2).

- 1.7 Although the initial headline number of people is high, MHCLG has clarified that the primary driver of the Housing First pilot should be the successful delivery of the programme and the number of successful outputs. It is accepted that this may therefore require greater levels of support across fewer individuals. Such a situation would arise if the support costs for individuals are higher than expected or the amount of support time required per individual is higher than originally expected. Numbers will be reviewed on an annual basis and the final number housed may, therefore, be fewer than anticipated.
- 1.8 The cohorts of people identified as benefitting from this model include primarily rough sleepers and people with street lifestyles, together with those with a strong trajectory towards the streets, who continually struggle to engage, or are continually excluded from services. This includes younger adults with multiple and complex needs, people with histories of repeat offending and known to rough sleep as part of their pattern of behaviours and will include people with enduring mental health conditions. For the avoidance of doubt the Housing First programme will focus on single households.
- 1.9 In order for an individual to access the Housing First programme they need to meet specific criterial. This criteria requires the individual to be:

  - a. homeless or entrenched rough sleepers – 3 months or longer
  - b. going to be homeless within 56 days
  - c. have at least one additional need – mental health, substance misuse or offending
  - d. at risk of exclusion from mainstream or supported housing due to behaviour
- 1.10 Given that a supply of tenancies is key to the delivery of a Housing First model, each local authority has to consider how this will be achieved with up to 37 per annum being provided in Coventry. The WMCA has sought in principle support from housing association leads across the region to provide tenancies for the Housing First Pilot. A providers' event was hosted by the WMCA on the 15<sup>th</sup> November, to discuss issues, answer queries and to reassure that sufficient support will be available to prevent problems and failed tenancies.
- 1.11 Within the funding for each authority is a small provision for a property sourcing role, expansion to existing private sector leasing arrangements, a bond pot and crisis fund. Within Coventry this will be supported through the new housing and homelessness team structure and link in with the Council's wider work on multiple complex needs, combating homelessness and delivering sustainable homes. As the city council has no stock of its own it will be reliant upon the external housing providers, which will be achieved through partnership working with housing associations and private landlords across the city. Only a very small number of properties have been identified to date but discussions with providers are still continuing.
- 1.12 The intended areas of commissioning will include progression coaches to support; individuals accessing Housing First; mental health support interventions; nurse practitioners/prescribers; outreach support to address substance misuse and the use of Psychologically Informed Environments (PIE) as a training tool for staff. A Psychologically Informed Environment is one that takes into account the psychological makeup - the thinking, emotions, personalities and past experience – of its participants in the way it operates. It is an approach to supporting people out of homelessness. Birmingham is tendering PIE on behalf of the pilot authorities and will set up training sessions for staff in all participating authorities.

## **2. Options considered and recommended proposal**

- 2.1 Option 1 is the preferred option and forms the basis for the recommendations within this report. This would see the city council accept the funding to implement the Housing First Pilot across Coventry. This will enable funding and accommodation to be directed to support a particularly vulnerable cohort of people back into independence. This group of people is known to be difficult to engage with and yet represent one of the most vulnerable.

People living on the streets are most likely to suffer from a variety of health issues and complex needs and have a reduced life expectancy.

- 2.2** Option 2 would be to not accept the funding to implement Housing First Pilot. This is not recommended, given that the level of street homelessness within the region and the city is rising and this funding provides a real opportunity to explore a radically different approach to both accommodation and support. The level of support required is considerable and, therefore, expensive. This funding stream is therefore essential to help deliver this pilot programme.

### **3. Results of consultation undertaken**

- 3.1** While no formal consultation has been undertaken, a Project Team has been convened to implement the Council's response to the initiative. The Team consists of representatives from all appropriate departments within the Council, including Children's and Adults Services, Housing Options, Community Safety, Legal and Finance, in addition to external agencies including the Police, Whitefriars and the Salvation Army.

The Combined Authority has also convened a regional Steering Group to oversee the implementation of the Pilot Programme. The City Council is represented on this group. In Coventry this will be led by the Director of Public Health and Wellbeing, reporting to the Strategic Housing Board chaired by the Chief Executive.

### **4. Timetable for implementing this decision**

- 4.1** The funding for the Pilot Programme was first made available from April 2018 to the end of March 2021, with the potential to extend to 2023.

Given the late start in year 1, the current financial year, the outputs have been adjusted accordingly. Coventry has a reduced target of 10 individuals within properties to be delivered by the end of March 2019 – it is expected that just 5 will actually be possible. The uncommitted balance will roll over into subsequent years.

Subject to the approval of the recommendations in this report, commissioning will commence with immediate effect to procure support services. The Council's project group will then look to identify properties and individual rough sleepers who are already engaging with existing services with a view to them joining the programme.

### **5. Comments from Director of Finance and Corporate Services**

#### **5.1 Financial implications**

West Midlands Combined Authority was awarded £9.6m of funding from the Housing First pilot programme of which £1.674m relates to Coventry. Birmingham City Council is the Accountable Body for the grant and will be responsible for paying the grant to Coventry over the life of the project.

#### **5.2 Legal implications**

The Council will need to ensure that it is able to fulfil the terms and conditions of the grant with MHCLG and the obligations set out in the partnership agreement between the participating local authorities.

Any procurement processes required to implement the decision contained in this report will be undertaken in accordance with the Council's Rules for Contract and/or the Public Contract Regulations (as applicable).

Legal Services will continue to work closely with colleagues to ensure that compliance is achieved in relation to any procurement and contractual matters as well as mitigating any risks which may arise.

## **6. Other implications**

### **6.1 How will this contribute to the Council Plan? ([www.coventry.gov.uk/councilplan/](http://www.coventry.gov.uk/councilplan/))**

Housing First will contribute to the Council Plan by helping to improve the health and wellbeing of a very vulnerable group of people. It will help to reduce health inequalities and will help to protect some of the most vulnerable members of society.

### **6.2 How is risk being managed?**

The key risks to the scheme are:

- That there are insufficient people to achieve the numbers. There is known to be a reluctance amongst rough sleepers and people with multiple complex needs to engage with mainstream services. This will be addressed by building on the multiple complex needs work to date, including MEAM (Make Every Adult Matter) and the 'City's Steps for Change' facility, and the progression coaches and outreach workers who will be employed to address this issue.
- That insufficient properties can be sourced for the numbers of people involved. As it is a requirement of Housing First that Assured Tenancies are issued and not licences, Registered Providers are likely to be the principle source of accommodation. Housing Associations working in Coventry also work in the other WMCA council areas and the Chief Executives have indicated in principle that they are supporting the pilot. While there has been some reluctance at local level from housing associations as clients will not be tenancy ready, there will be as much support as is required to help individuals maintain their tenancies. The Combined Authority held a meeting with providers, attended by the West Midlands Mayor, to explain the programme and to encourage them to support the initiative. The level of support available to tenants to help them sustain their tenancies was emphasised and will be key to managing this risk.
- That the amount of grant available does not cover the level of support that is required. The amount of support necessary to sustain a tenancy can be considerable and one principle of Housing First is that support is available for as long as it is needed. This could reduce the number of people helped and affect continuation of support into years 4 and 5. However, MHCLG has confirmed that the fidelity of the Housing First model is of primary importance.
- A suitable support provider cannot be identified. Although each authority will commission support independently, a standard specification, role specifications and job descriptions for the various workers required, will be used as the basis of individual tenders.
- Birmingham City Council, as lead authority, will be directly accountable to MHCLG for the funds, programme and outcomes. The WMCA will also maintain an oversight and scrutiny of the Housing First programme through the Homelessness Task Force. Birmingham will provide a report on a quarterly basis detailing programme status, services commissioned, units filled, outcomes achieved, risks to programme and opportunities. This will help provide a coordinated management of risks across the region.

- 7.1 Heriot Watt University has secured the contract with MHCLG, along with expertise from Homeless Link, to undertake the evaluation of the Housing First Pilot. This will be a continuous process during the term of the pilot programme. The evaluator will report formally on an annual basis and will report following the end of the programme.

#### **6.3 What is the impact on the organisation?**

Although the Housing First is labour intensive, once up and running, most of the work is supporting individuals to be undertaken by support providers and this will be commissioned in due course. The main impact will be in the commissioning of the support provider/s, monitoring the outcomes and ensuring the fidelity of the programme.

#### **6.4 Equalities / EIA**

Housing First is a very positive approach that deals with some of the most disadvantaged and needy groups in society. As such, it addresses issues of inequality. The subjects for the programme will be chosen strictly in accordance with the definition outlined above as this is a requirement of the funding and those considered too vulnerable for a tenancy of their own will be referred to other agencies. Individuals on the programme will be given the opportunity of a home and sufficient support to ensure that their tenancy can be sustained.

#### **6.5 Implications for (or impact on) the environment**

There are no implications for the environment.

#### **6.6 Implications for partner organisations?**

Housing Association partners will be expected to assist by providing properties and granting tenancies to the individuals, in addition to housing management. Tenancies will be general needs and on the same terms as other affordable housing tenancies. The cohort will have multiple complex needs, which can create difficulties for housing management and tenancy sustainment. However, the success of the programme is predicated on a great deal of support being provided, which will be available for as long as it is needed. This will reduce the risk for the housing provider.

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