

CAPITAL INVESTMENT BRIEFING NOTE FOR PASSPORTING FUNDS



(BCHA Accessible Homes – SHAP Capital and Revenue Award)

SCHEME SUMMARY: *(Provide a brief paragraph outlining the current situation. Explain the details of the proposal and how the proposal will address the issue)*

The Department of Levelling Up, Housing and Communities **Single Homelessness Accommodation Programme (SHAP)** provides a capital and revenue funding stream aimed at increasing the supported housing provision for single people who are homeless and/ or rough sleeping, as well as young people who are care experienced, with medium to high support needs.

The Government has invested £200m in the new Single Homelessness Accommodation Programme to deliver up to 2,400 homes by March 2025, including supported housing. The new accommodation will be aimed at adults experiencing severe multiple disadvantage and specialist accommodation for young people (under 25) who are at risk of, or already experiencing, rough sleeping.

Plymouth City Council, applied for capital and revenue funding, under the SHAP and has been awarded £2,450,000 in capital grant to fund the acquisition and refurbishment of a minimum of ten self-contained one bed properties and £399,154 (2024-28) in revenue funding to provide a dedicated support service for single homeless individuals and couples with accessibility needs.

The Council got approval (L48 23/24) to allocate the £2,450,000 grant to the capital programme. At that time the Council envisaged delivering the homes itself. It has since been approached by Bournemouth Churches Housing Association (BCHA) who have agreed to acquire, refurbish and manage the ten homes, as well as to provide the support services to homeless individuals and couples living in the provision.

BCHA is a local specialist registered provider working within the homelessness supported housing sector and a partner in the Plymouth Alliance.

The capital grant cannot cover 100% of the acquisition and refurbishment costs and so BCHA will use a proportion of loan finance and Disabled Facilities Grant

The properties are to be acquired and refurbished by March 2025.

STRATEGIC CASE: (How will this proposal meet corporate priorities? Explain how the project delivers or supports delivery of Plymouth Plan / Joint Local Plan Policies (including policy references))

Significant action is required to meet the homelessness and temporary accommodation demand and reduce budgetary pressures. A snapshot of data from the 30th of March 2023 shows that there were 3,890 households with disability on the Devon Home Choice register who were not in suitable longer-term housing designed to meet their needs.

The Housing Needs of Physically Disabled People in Plymouth’ report from 2015 identified that at least 330 additional fully wheelchair accessible units would be required in the city by 2024 to address unmet need. The report noted these properties should be affordable homes, alongside some provision in the private sector. 50% of need was estimated to be for one-bedroom homes.

Snapshot of the number of Plymouth households with a one bedroom need for accessible housing on Devon Home Choice (30/03/2023)

	1 Bedroom
Maximum of 3 Steps	724
Step Free	442
Wheelchair Accessible	93

Source: Devon Home Choice

- One-bedroom self-contained properties are in high demand.
- 1,757 households on DHC are waiting for an offer of accessible property.

Using information from the Plymouth Housing Options service working with households who are homeless or at risk of homelessness, there has been a rise in the numbers of those who have approached Plymouth City Council due to disability or health-related conditions:

Number of homeless approaches for disability or health related conditions

Year	Number
2020/2021	31
2021/2022	40
2022/2023	69

Source: Plymouth City Council, Housing Options Team

BCHA proposes to utilise the awarded capital and revenue grant, as well as their own loan finance, to purchase ten self-contained properties for homeless individuals with mobility needs. BCHA currently has supported housing services, where individuals are successfully housed and supported through their homelessness journey. There is also three-year revenue funding to deliver services to those living in the properties.

The purchase of these properties directly and positively addresses the budget pressures faced by the Council as well as improving the health and wellbeing outcomes for homeless individuals with mobility needs by providing supported accommodation until they move on to a longer-term accommodation.

OUTCOMES AND BENEFITS: <i>(List the outcomes and benefits expected from this project)</i>	
Financial outcomes and benefits:	Non-financial outcomes and benefits:
This service will increase the supported housing provision for homeless individuals with medium to high support needs. This will lower the number of individuals being placed in B&B under a statutory homelessness duty.	Homeless individuals will have access to specialist supported accommodation which aims to meet their needs and reduce levels of homelessness and rough sleeping in the City.

KEY RISKS: <i>(Identify the risks, level of risks and measures in place to mitigate the risks)</i>
<p>There are minimal risks to PCC as agreed funding is allocated through PCC and BCHA will deliver the project.</p> <p>The ten properties will need to be acquired and refurbished by BCHA by 31st March 2025. The Department of Levelling Up, Housing and Communities will withhold 5% of the capital grant and may reduce the revenue award in line with when the properties are ready to be let, if this deadline is missed.</p> <ul style="list-style-type: none"> • PCC will co-ordinate the reporting to DLUHC • BCHA is fully responsible for any risks and liabilities that arise from this project <p>The risk element in receiving the grant is low:</p> <p>It is 100% externally funded and as such there is no impact on existing PCC budgets.</p> <p>The money will be paid to BCHA on completion of a funding agreement with the Council which will for a period of 30 years require BCHA to:</p> <ul style="list-style-type: none"> • Require them to use the money only for the approved purpose of homelessness accommodation • Insure and maintain the properties • Not dispose of the properties without the Council’s consent • Keep records of expenditure and provide copies to the Council on request <p>The restriction on disposal will be protected by a restriction on the registered title to the properties.</p>
MILESTONES AND DATES: <i>(delivery timescales)</i>
<p>The funds are to be awarded as soon as possible and the projects will be complete by 31st March 2025. It is forecast that 100% of the capital grant will be released in 2024/25. The revenue grant will be paid in annual tranches (2024- 2028).</p>

FUNDING: *(Include : PCC accountable body status, passporting funding to the provider, who is responsible for delivery, back to back funding agreement, ongoing PCC revenue implications)*

PCC will co-ordinate the data and financial reporting to the Department of Levelling Up, Housing and Communities. BCHA will provide quarterly reports and evidence the eligible spend has occurred.

BCHA will receive £2,450,000 of capital grant funding to purchase ten properties. They will contribute their own funds to acquire, refurbish and set up these properties.

The three-year revenue award to fund the support service will be transferred to BCHA through the Plymouth Alliance via a contract variation.

Reviewed by Revenue Accountant : Nathan Franklin

RECOMMENDATION

It is recommended that the Leader of the Council:

1. Approves the Business Case;
2. Approves the transfer of £2,450,000 of DLUHC (Department of Levelling Up Housing and Communities) capital grant; £100,000 virement of Disabled Facilities Grant and revenue grant funding of £399,154 to BCHA, via contract variation to their sub-contract under Complex Lives Alliance Contract PEO/16175;
3. Authorises the Service Director for Community Connections to approve the terms of such funding awards and approve amendments to contract awards where they do not already have the authority to do so.