

<b>Report to:</b>	<b>EXECUTIVE CABINET</b>
<b>Date:</b>	26 July 2023
<b>Executive Member:</b>	Councillor John Taylor
<b>Reporting Officer:</b>	Emma Varnam, Assistant Director of Operations and Neighbourhood Services
<b>Subject:</b>	<b>GRANT FUNDING: THE GREATER MANCHESTER COMBINED AUTHORITY (GMCA) GRANT FUNDING AGREEMENT</b>
<b>Report Summary:</b>	<p>The GMCA has prepared a grant funding agreement outlining the funding support which it proposes to provide Tameside MBC to deliver the following Greater Manchester Programmes within Tameside:</p> <p>The Greater Manchester "A Bed Every Night" (ABEN) Homelessness Programme; And</p> <ul style="list-style-type: none"> <li>• The Greater Manchester Community Accommodation Service [Tier 3] (CAS3)</li> </ul>
	<p>This report asks for Tameside MBC to:</p> <ul style="list-style-type: none"> <li>• accept the grant funding</li> <li>• note that the grant funding agreement was developed months before the GMCA had reached a final decision on their budget. Therefore the funding details from 1 April 2023 onwards were indicative for planning purposes only, and subject to formal approval by the GMCA as part of its annual budget. The funding for the year 2023-2024 has now been agreed formally by the GMCA.</li> <li>• The GMCA has informed Tameside that they will be awarded the following grant funding for the year 2023-2024: £260,000 for the ABEN Homelessness Programme and £202,116 for CAS3.</li> </ul>
<b>Recommendations:</b>	<p>It is recommended that the Executive Cabinet:</p> <ul style="list-style-type: none"> <li>• accepts the GMCA Grant Funding and enters in to the GMCA Grant Funding Agreement</li> <li>• notes the indicative funding for the year 2024-2025.</li> </ul>
<b>Corporate Plan:</b>	Nurturing our communities and having pride in our people, our place and our shared heritage- reduce homelessness.
<b>Policy Implications:</b>	The provision of ABEN and CAS3 in Tameside, will provide vital temporary accommodation to people who are at imminent risk of rough sleeping and who have no interim statutory accommodation options open to them.
<b>Financial Implications:</b> <b>(Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	<p>This report is seeking approval to accept two grants from GMCA:</p> <ul style="list-style-type: none"> <li>- A Bed Every Night (ABEN) for the period 1 April 2022 – 31 March 2025</li> <li>- CAS-3 for the period 1 July 2022 – 30 June 2025</li> </ul>

<b>Grant Values</b>	<b>£m</b>	<b>Confirmed/ Indicative</b>
ABEN – Year 1	0.286	Confirmed
ABEN – Year 2	0.260	Confirmed
ABEN – Year 3	0.228 – 0.260	Indicative
<b>Total ABEN Grant</b>	<b>0.774 – 0.806</b>	
CAS-3 – Year 1	0.198	Confirmed
CAS-3 – Year 2	0.202	Confirmed
CAS-3 – Year 3	0.202	Indicative
<b>Total CAS-3 Grant</b>	<b>0.602</b>	

### **A Bed Every Night Funding**

In order to meet the expected outcomes of this grant, the Council operates the Town House, a hostel style provision of nightly accommodation. The grant funds 26 beds, however the Town House is approved to accommodate up to 42. In 22/23, the service incurred significant costs resulting in an overspend, even after utilising prior year grant funding.

<b>22/23 Financial Position</b>	<b>£m</b>
<b>Expenditure:</b>	
Building Costs – Utilities, Cleaning & Maintenance (includes some prior year costs)	0.052
Service User Costs – Storage, Transport, Mobile Phones	0.020
Household Items – e.g. disposable cups, cleaning items	0.014
Food Costs	0.014
Provision of Hot Meals	0.019
Interpreter Costs	0.001
Security Costs	0.275
Other Costs – Council Tax, Pest Control & Miscellaneous costs	0.013
<b>Total Expenditure</b>	<b>0.408</b>
<b>Funding Source:</b>	
ABEN Grant – GMCA*	(0.286)
Core Budget	(0.050)
Prior Year Grants (drawn down from reserve)	(0.029)
<b>Total Funding Available</b>	<b>(0.365)</b>
<b>Net Position</b>	<b>0.043</b>

*\*Although this has been accounted for in 22/23, receipt is still outstanding as this is subject to the grant agreement.*

During the start of 23/24, the service have made improvements to a number of controls and processes resulting in anticipated reductions in costs in a number of areas. Further work is underway within the wider Homelessness Service to review all commissioned and contracted services. This will include a review of the security arrangements to ensure best value and consideration of all options for the provision of hot food with a review to reducing costs. The table below shows the current forecasted costs for 23/24. Although there is work ongoing, this assumes that the current provision of hot food and security arrangements will continue for the full year.

<b>23/24 Forecasted Financial Position</b>	<b>£m</b>
<b>Expenditure:</b>	
Building Costs – Utilities, Cleaning & Maintenance	0.029
Service User Costs – Transport	0.008
Household Items – e.g. cleaning items	0.010
Provision of Hot Meals	0.019
Interpreter Costs	0.001
Security Costs	0.308
Other Costs – Council Tax, Pest Control & Miscellaneous costs	0.013
Costs from 22/23 not accrued for	0.023
<b>Total Expenditure</b>	<b>0.411</b>
<b>Funding Source:</b>	
ABEN Grant – GMCA*	(0.260)
Core Budget	(0.050)
<b>Total Funding Available</b>	<b>(0.310)</b>
<b>Net Position</b>	<b>0.101</b>

Although the service has worked to reduce the annual costs, the net forecast position for the ABEN service has worsened to a forecast overspend of £0.101m in 23/24. This is mainly due to an increase in the hourly rate for security. During 23/24, the service will continue to seek ways to improve process to reduce costs wherever possible and this will continue into 24/25. The service are also exploring future options for the delivery of this service in conjunction with GMCA.

Although accepting the grant will put a pressure on the revenue budget, not accepting the grant would also result in a pressure and have wider consequences:

- ***Continuing the provision of the ABEN service without the grant funding***

Without the grant, continuing the provision of the ABEN service would result in an increased pressure of £0.361m.

- ***Cease the provision of the ABEN service***

There are a number of costs that would still be incurred during 23/24 that would result in a pressure of £0.117m against the core budget of £0.050m and a total pressure of £0.096m across the remaining 2 years.

<b>Expenditure</b>	<b>23/24 £m</b>	<b>24/25 £m</b>
Costs from 22/23 not accrued for	0.023	
Running Costs April 23 – June 23	0.122	
Ongoing Committed Costs	0.022	0.029
<b>Total Expenditure</b>	<b>0.167</b>	<b>0.029</b>

\*The Council have a 10 year lease, with a 5 year break clause, for the Town House building.

There would also be a number of other implications that, although would not result in a direct cost, would likely have financial implications for other services within the Council and other public services in the borough.

Ceasing the provision of the ABEN service would result in an increased number of rough sleepers across the borough. These individuals would likely end up being more dispersed, making it more difficult for the Key Workers to provide the necessary support compared to being able to set up contact through a centralised ABEN service.

Rises in rough sleepers can be linked to increases in anti-social behaviour issues and street begging which in turn could result in additional demand and costs for the Community Safety team and Police. Those sleeping rough are also more likely to present at hospital resulting in additional costs to the wider public purse.

Ceasing the ABEN provision would also likely cause reputational damage both on a Greater Manchester level and nationally. This could impact on future grant funding streams.

### **CAS-3 Funding**

The CAS-3 funding is to be used to provide accommodation and support to the identified cohort. The support element of this provision is currently provided in house by a member of staff.

As each year of this funding stream spans 2 financial years, the profile of expected spend is shown in the table below:

	<b>Accommodation £m</b>	<b>Support £m</b>	<b>Total £m</b>
<b>Grant Year 1</b>			
22/23	0.096	0.032	0.128
23/24	0.062	0.011	0.073
<b>Total</b>	<b>0.158</b>	<b>0.043</b>	<b>0.201</b>
<b>Grant Year 2</b>			
23/24	0.111	0.033	0.144
24/25	0.037	0.011	0.048
<b>Total</b>	<b>0.148</b>	<b>0.044</b>	<b>0.192</b>
<b>Grant Year 3</b>			
24/25	0.111	0.034	0.145
25/26	0.037	0.012	0.049
<b>Total</b>	<b>0.148</b>	<b>0.046</b>	<b>0.194</b>
<b>Total Spend</b>	<b>0.454</b>	<b>0.133</b>	<b>0.587</b>

Across the three year period, there is a forecasted underspend against the grant. This will provide a contingency for pay increases greater than expected and will also contribute towards the associated management costs.

The service will need to ensure that spend is monitored, and remains within the available funding, throughout the duration of the grant. The service will also need to adhere to all reporting requirements outlined in the grant agreement.

### **Legal Implications: (Authorised by the Borough Solicitor)**

As outlined in the report, acceptance of two streams of grant funding is sought for delivery of the Greater Manchester “A Bed Every Night” (ABEN) Homelessness Programme and the Greater Manchester Community Accommodation Service [Tier 3] (CAS3) programme. A grant funding agreement covering both streams of funding has been agreed with GMCA.

The Council will need to meet the outputs and outcomes outlined in the agreement and provide the requisite monitoring reports on these to avoid clawback of the funding.

There are also standard provisions within the agreement relating to compliance with legislation e.g. in relation to procurement, subsidy control, equalities and data protection.

It should be noted that some of the future years' funding is indicative only within the agreement.

**Risk Management:**

The provision of ABEN and CAS3 in Tameside will help to reduce the risk of rough sleeping, for those individuals who have no interim statutory accommodation options open to them.

ABEN is a service of last resort, and if this service was not provided there would be a marked increase in the number of rough sleepers in Tameside. These would be vulnerable people, with multiple needs. This could lead to lower life expectancy and perhaps even deaths.

The provision of CAS3 accommodation, to those leaving a custodial setting and who are under the supervision of Probation, is also expected to reduce re-offending.

**Access to Information:** Not confidential

**Background Information:** The background papers relating to this report can be inspected by contacting Emma Varnam, Assistant Director of Place.

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## **1. INTRODUCTION**

- 1.1 The Greater Manchester Combined Authority (GMCA) has prepared a joint grant funding agreement. This outlines the funding support which it proposes to provide Tameside MBC to deliver the following Greater Manchester programmes within Tameside:
- “A Bed Every Night” (ABEN) Homelessness Programme
  - The Community Accommodation Service [Tier 3] (CAS3)
- 1.2 The grant funding agreement was developed months before the GMCA had reached a final decision on their budget. Therefore the funding details from 1 April 2023 onwards, were indicative, for planning purposes only, and subject to formal approval by the GMCA as part of its annual budget. The GMCA has now formally approved their budget for the year 2023-2024 and has informed Tameside Council that they will be awarded in 2023-2024: £260,000 for the ABEN Homeless Programme and £202,116 for CAS3.
- 1.3 This report recommends that the Board:
- accepts the GMCA Joint Grant Funding Agreement to support the delivery of ABEN and CAS3 in Tameside.
  - notes the indicative funding for the year 2024-2025.

## **2. BACKGROUND: ABEN HOMELESSNESS PROGRAMME**

- 2.1 ABEN is a Greater Manchester wide programme, which provides vital, short-term, transitional accommodation and support for people who are experiencing rough sleeping, or who are at imminent risk of rough sleeping. Tameside Council’s rough sleeping outreach service is aligned to the delivery of ABEN.
- 2.2 Tameside’s Homeless Service undertakes statutory homeless assessments and refers people, who have no interim statutory accommodation options open to them, to ABEN. In Tameside, ABEN is provided at the Town House located on Burlington Street, in Ashton-Under-Lyne.
- 2.3 ABEN provides person-centred and trauma informed support to very vulnerable people who have multiple needs. Service users receive a cooked evening meal, and are provided with a bed for the night. They are assigned a key worker who undertakes an assessment of their support needs and provides them with tailored support to meet their immediate needs. ABEN service users are supported to access primary care, mental health, substance misuse and welfare services. The service user’s key worker facilitates the development of a move on plan with the service user to enable the transition from ABEN into permanent accommodation.
- 2.4 The GMCA fund 26 ABEN places in Tameside Borough. The ABEN service, together with the Rough Sleepers Initiative (RSI) service, has significantly reduced rough sleeping in Tameside. Each year, councils in England are required to submit an annual statutory return providing a rough sleepers annual snapshot estimate. In 2017, before ABEN and the RSI service were implemented, Tameside Council’s Rough Sleepers annual snapshot estimate was 43. In 2020, after the implementation of the Rough Sleepers Initiative Service and ABEN, Tameside Council’s Rough Sleepers annual snapshot estimate was 3.
- 2.5 The number of people referred to ABEN varies, from week to week, but in the week ending 16 June 2023 the number of referrals was 18 and the number of service users who stayed in the Town House as at 16 June was 35. ABEN is a service of last resort and if this service was withdrawn there would be a marked increase in the number of rough sleepers in Tameside. These would be vulnerable people, with multiple needs, and this could lead to lower life expectancy and perhaps even deaths.

- 2.6 The GMCA agreed to provide Tameside MBC £286,000 to support the delivery of ABEN in Tameside Borough for the year 2022-2023 and £260,000 for the year 2023-24. This allocation for the year 2023-24 is a drop of £26,000. Tameside's Homeless Service is reviewing their ABEN service and looking at ways of adapting ABEN to reduce costs so that costs are in line with the grant funding available. Tameside's Homeless Service has been liaising effectively with the GMCA to learn best practice, look at alternative models, connect with other GM authorities, and find out about other sources of funding. Tameside's Homeless Service is considering all delivery options and the grant funding for the year 2023-2024 is essential to enable us to deliver the current service whilst continuing to review.
- 2.7 The GMCA has also agreed in principle to provide financial support for the delivery of ABEN in Tameside Borough for the period 1 April 2024 to 31 March 2025. The funding for the period from 1 April 2024 onwards is indicative for planning purposes only and is subject to forward approval by the GCMA as part of its annual budget.
- 2.8 The GMCA is currently considering 2 financial models for funding ABEN from 1 April 2024 to 31 March 2025. These are Model 1 (the Tapering Budget) and Model 2 (the Sustained Budget). Details of the funding are provided in the tables below.

**Table 1: Model 1 (Tapering Budget).**

Year	Funding Provided
2024-2025	£227,760

**Table 2: Model 2 (Sustained Budget).**

Year	Funding Provided
2024-2025	£260,000

### 3. CAS3 SERVICE

- 3.1 The CAS3 Service provides accommodation and support to people who are leaving a custodial setting (such as Prison, Approved Premises or BASS) and who are under the supervision of Probation. This accommodation service is funded by the Ministry of Justice and is co-produced by the GM Probation service and the GMCA. Phase 1 of this service was piloted in GM from 2021 and the Ministry of Justice has secured Phase 2 funding to cover the period 1 October 2022 to 30 September 2025.
- 3.2 For the year 2022-2023, the GMCA agreed to award Tameside MBC grant funding up to £197,827.56 to deliver this programme in Tameside. For the year 2023-2024 it has been agreed that Tameside will receive £202,116. This is for the provision of 9 units of CAS3 accommodation.
- 3.3 A breakdown of the funding is provided below.

<b>Year 2 Core Funding</b>	<b>£196,560</b>	12 months at £60 per night rate. This is broken down as follows: <ul style="list-style-type: none"> <li>• £45 per night for accommodation</li> <li>• £15 per night for support</li> </ul>
<b>Year 2 Infrastructure Funding</b>	£5,556	6% of LA infrastructure grant (proportional to delivery)

- 3.4 The GMCA has indicated the grant funding which it is likely to award Tameside MBC in the period 2024-2025. This is shown in Table 3 below.

**Table 3: CAS3 Funding that the GMCA has indicated it is likely to award Tameside**

<b>Year</b>	<b>Indicative Funding</b>
2024-2025	£202,116

#### **4. CONSULTATION UNDERTAKEN**

- 4.1 Tameside MBC's Legal Service has been consulted. They have reviewed the grant agreement and requested amendments to the Agreement have been agreed with GMCA's Legal Service.

#### **5. CONCLUSION**

- 5.1 ABEN and CAS3 are 2 homelessness programmes, which provide vital accommodation for those who are at imminent risk of rough sleeping and who have no interim statutory accommodation options open to them. These programmes are key to prevent rough sleeping in Tameside.
- 5.2 The support funding provided by the GMCA to deliver these 2 programmes in Tameside is essential to help prevent rough sleeping in Tameside.

#### **6. RECOMMENDATIONS**

- 6.1 As set out at the front of the report.