

GREATER LONDON AUTHORITY

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2097

Title: Boroughs' procurement of private rented accommodation for homeless households

Executive Summary:

A group of London Boroughs' Housing Directors are working together to identify ways in which they might collaborate more closely in securing private rented accommodation for homeless households whom boroughs are obliged to accommodate. The scope of this includes how the Mayor could support enhanced collaboration. Housing Directors have commissioned a feasibility study of broad options that they identified, through London Councils. This ADD commits GLA funding to the feasibility study in order to optimise its effectiveness and support Boroughs' collaborative working.

Decision:

That the Assistant Director of Housing approves the award of £20,000 to London Councils, to pay half of the costs of the consultant appointed to carry out a feasibility study of the options that Housing Directors have identified for closer collaboration between boroughs in their efforts to secure private rented accommodation for households facing homelessness.

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT:

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Jamie Ratcliff

Position: Assistant Director of Housing

Signature:



Date:

31/6/17.

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

The Mayor's election manifesto included a commitment to "co-ordinate councils' efforts to find stable private rented housing for those in need who are not able to move into social housing."

The context for this commitment is one of rising rates of homelessness, increasing rents and growing competition for tenancies in the private rented sector, and welfare reform measures reducing the proportion of these tenancies that are affordable to benefit claimants. This leaves boroughs facing a growing challenge and cost as they seek to meet their obligations to households experiencing or facing homelessness. A London Councils-commissioned study estimated that, in 2014/15, they covered a quarter of the total cost of temporary accommodation for homeless households accommodated by London boroughs (£170 million of £663 million) from their General Funds. It also means that a growing proportion of homeless households are placed at a distance from their local area and a small but rising number of them in bed and breakfast accommodation.

Working closely with GLA officers, a group of London Borough Housing Directors has identified a number of broad options for closer collaboration. The wider London Housing Directors' Group supported further investigation of these options, through a Feasibility Study.

They agreed to contribute half of the total costs of this work by funding and employing a Special Projects Officer, who is currently being recruited to support London's Housing Directors, with a focus on stakeholder management, the other half of the costs will be spent on the feasibility study itself. The intention is that the feasibility study is part-funded by the GLA and the Department for Communities and Local Government (DCLG), who have agreed to cover half the costs of this work, up to a maximum of £20,000.

London Councils issued an invitation for the feasibility study (see Appendix), on behalf of London Housing Directors. A selection panel including GLA has now appointed Tim Gray Consultancy Limited to carry out the feasibility assessment.

2. Objectives and expected outcomes

The feasibility study, along with the wider work conducted by the Special Projects Officer, is intended to help London's Housing Directors establish which, if any, of the options for closer collaboration they have identified might help boroughs to secure the supply of accommodation they need for homeless households, at a more competitive price than the current arrangements deliver, and with scope to provide better outcomes for homeless households, in terms of the location and quality of accommodation provided for them. The GLA will be involved in tracking the progress of this work.

Any Mayoral support for approaches implemented as a result of this Feasibility Study will potentially be combined with Government funding. Its recent announcement of its new £400 million Flexible Homelessness Support grant, intended to replace the Department for Work and Pensions' subsidy for temporary accommodation for homelessness households, included confirmation that Government has held back £25 million, so that this amount can potentially be used to support closer coordination among London boroughs, subject to the outcome of the Feasibility Study.

3. Equality comments

One of the criteria for assessment of options for closer collaboration between London boroughs in securing private rented accommodation for homeless households is whether they will deliver better outcomes for homeless households, in terms of the quality and location of the accommodation London boroughs provide for them. Households with some protected equality characteristics, including those of Black and Minority Ethnic (BAME) origin, those with some religious beliefs (insofar as these correlate with ethnicity), and single

parent households (which are disproportionately headed by mothers), are over-represented among homeless households assisted by local authorities. So work to deliver accommodation of better quality for homeless households is likely to promote equality of opportunity for these groups.

4. Other considerations

As highlighted above, this study will contribute to the delivery of a Mayoral manifesto commitment.

The key risks are as follows:

- a) The study concludes that none of the options for closer collaboration are feasible.
- b) The study concludes that none of the options would deliver a balance of benefits and risks sufficient to persuade boroughs to participate in enhanced collaboration.
- c) The study identifies one or more compelling feasible options, but boroughs are nonetheless cautious about proceeding with new arrangements.
- d) The study identifies one or more compelling feasible options and boroughs pursue these, but they fail to deliver the benefits anticipated.

The risks of not supporting the study, which represents a step towards delivery of a manifesto pledge, are greater than these risks of doing so. The likelihood of any collaborative arrangements delivering the benefits intended are maximised by the completion of a study. There is scope to minimise the third risk identified above as part of the wider work with stakeholders being undertaken by the Special Projects Officer.

5. Financial comments

- 5.1 This decision requests approval to spend £20,000 payable to London Councils to carry out a feasibility study for closer collaboration between boroughs in their efforts to secure private rented accommodation for households facing homelessness. Department for Communities and Local Government (DCLG) agreed to cover the other half of the costs for this work, up to a maximum of £20,000
- 5.2 This expenditure is going to incur in 2017/18 financial year and is earmarked within Housing & Land Management and Support Consultancy Budget.

6. Legal Comments

Not required.

7. Planned delivery approach and next steps

Activity	Timeline
Procurement of contract [for externally delivered projects]	Feb/Mar 2017
Announcement [if applicable]	n/a
Delivery Start Date [for project proposals]	Mar 2017
Main milestones	completion of assessment by late summer 2017
Final evaluation start and finish (self/external) [delete as applicable]:	n/a
Delivery End Date [for project proposals]	late summer 2017
Project Closure: [for project proposals]	late summer 2017

Appendices and supporting papers:

Invitation to tender document issued by London Councils.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) 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 approval or on the defer date.

Part 1 Deferral:

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

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be 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:**

Deborah Halling, Senior Policy Officer, has drafted this report in accordance with GLA procedures and confirms that the Finance and - if relevant- Legal teams have commented on this proposal as required, and this decision reflects their comments.

Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on 3 April 2017.

HEAD OF FINANCE AND GOVERNANCE:

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

Signature:



Date:

03.04.17