

Committee: Homelessness and Rough Sleeping Sub-Committee	Dated: 09/09/2024
Subject: Post Rough Sleeping Initiative Planning Proposal Report	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1,2,3,4,10
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Judith Finlay, Executive Director, Community and Children's Services	
Report authors: Will Norman, Head of Homelessness Prevention and Rough Sleeping	For Information

Summary

This report provides Members with an update on our planning and risk mitigation for the period after the current tranche of Rough Sleeping Initiative (RSI) funding expires on 31 March 2025. The report is an update on the position reported to Members at the 10 June Homelessness and Rough Sleeping Sub-Committee.

The report provides Members with on ongoing commentary of the risk presented by the lack of confirmed RSI grant funding from April 2025.

This report references the following priorities from the Homelessness and Rough Sleeping Strategy 2023–2027:

- Priority 1 – Rapid, effective and tailored interventions
- Priority 2 – Securing access to suitable, affordable accommodation
- Priority 3 – Achieving our goals through better collaboration and partnership
- Priority 4 – Providing support beyond accommodation.

Recommendation

Members are asked to:

- Note the report.

Main Report

Background

1. The RSI is part of the government's ongoing Rough Sleeping Strategy, which sets out the vision to end rough sleeping by the end of the current Parliament.

2. In February 2022, City of London officers submitted the 2022–2025 RSI proposal totalling £3,709,566. The core RSI award for 2024/2025 is £1,373,840.
3. The current RSI award covers 15 projects, posts or funds. Most are funded by the RSI grant. Some are funded by a mix of RSI grant and City Fund, and some are shared with other local authorities from their respective RSI awards.
4. While an extension of funding (or an entirely new grant programme) is expected, the government is yet to issue any formal communications confirming funding beyond financial year 2024/2025.
5. Challenges emerging from the uncertainty around any grant award beyond April 2025 are:
 - The level of funding is unknown. If less than the current award, we will need to consider ending or amending current work funded through the RSI, or fund the work from the City Fund.
 - The timing of any grant determination has a bearing on decision-making. Some contracts are set to expire during 2024/2025 and, without notification of further funding, all contracts will need to end by 31 March 2025.
 - Any grant award for 2025/2026 is expected to be limited to 12 months in duration.
 - Without an indication that contracts will be extended, staff funded through the RSI (both internally and externally) will leave to seek new contracts elsewhere.
6. A proposal for an alternative Rough Sleeping programme was endorsed by Members at the 10 June Homelessness and Rough Sleeping Sub-Committee. The intention was to progress this proposal to the 20 September Community and Children's Services Committee.

Current Position

7. On 14 August 2024 at the North East London Sub-region Forum, a Ministry of Housing, Communities & Local Government (MHCLG) advisor confirmed the new Government's intentions to 'roll over' RSI grant awards for 2025/2026. Confirmation will follow the Government spending review scheduled for Autumn 2024, and local authorities are expected to hear by 31 October 2024. In the spring of 2025/2026, a decision will be made regarding a potential three- to five-year Rough Sleeping Grant programme.
8. As part of the spending review, new Housing Minister, Rushanara Ali, and the Deputy Prime Minister/Secretary of State will consider:

Tackling homelessness and rough sleeping, including:

- *Chair, Inter-Ministerial Group on Homelessness and Rough Sleeping*
- *Cross-governmental co-ordination of policy to tackle homelessness and rough sleeping.*

9. This update is the first indication that grant funding is likely to be sustained in 2025/2026.
10. To provide additional confidence, the Chamberlain's Department has confirmed that the three months of RSI programme service delivery (approximately £339,000), to cover the Quarter 1 period 2025/2026, can be met from within the Homelessness and Rough Sleeping base budget. This is only required to allow officers to begin extending existing service contracts with providers in a way that avoids entering into unfunded commitments. A grant award notification on or before 31 October 2024 will return the temporarily reallocated funds to their original purpose.
11. At the 4 March 2024 Homelessness and Rough Sleeping Sub-Committee, Members were informed about the internal evaluation of our existing RSI funded Rough Sleeping programme. This process yielded suggestions for adapting the programme, which were incorporated into the alternative Rough Sleeping programme proposed to Members at the 10 June Homelessness and Rough Sleeping Sub-Committee.
12. Lessons from the evaluation, together with findings from the Rough Sleeping Service independent review (scheduled for early 2025) will be used throughout 2025/2026 to take advantage of any new three- to five-year grant programme.
13. Officers will update Members as and when any subsequent correspondence is received from MHCLG regarding a 2025/2026 award or future longer-term programme.
14. The Post RSI Planning Proposal Report, therefore, will not be presented to Members of the Community and Children's Services Committee on 20 September.

Corporate & Strategic Implications

15. **Financial implications** – See risk implications below.
16. **Resource implications** – N/A
17. **Legal implications** – N/A
18. **Risk implications** – Formal confirmation of grant funding for 2025/2026 has not been received, however, public statements from MHCLG that it is forthcoming have been received. The risk of late award or no award are mitigated by the temporary reallocation of three months' funding to cover the period Q1 2025/2026.
19. **Equalities implications** – N/A
20. **Climate implications** – N/A
21. **Security implications** – N/A

Conclusion

22. The City of London received £1,373,840 in RSI grant funding in 2025/2026. When Members were last updated on 10 June 2024, no further confirmation had been received from MHCLG about funding for 2025/2026, or the potential for a new, longer-term programme.
23. Verbal assurance was provided by the MHCLG RSI advisor for the North East London Sub-region Forum on 14 August 2024 that the new Government's intentions are to provide a comparable level of grant funding for local authorities in 2025/2026.
24. Confirmation will not be received by local authorities until after the Government spending review on 31 October 2024.
25. To allow officers to begin drafting contract extensions for RSI-funded services (and personnel contracts at the City of London), funding has been temporarily reallocated to cover the period Q1 2025/2026. These funds will only be required in the event that grant funding is not awarded, or that an award is later than anticipated.

Background papers

- Post Rough Sleeping Initiative Planning Proposal Report – Homelessness and Rough Sleeping Sub-Committee – 4 March 2024
- Post Rough Sleeping Initiative Planning Proposal Report – Homelessness and Rough Sleeping Sub-Committee – 10 June 2024

Appendices

- None

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