

City of London Corporation Committee Report

Committee: Homelessness and Rough Sleeping Sub-Committee	Dated: 09/12/2024
Subject: Post Rough Sleeping Initiative (RSI) Planning Update Report	Public report: For Information
This proposal: <ul style="list-style-type: none"> • Delivers Corporate Plan 2024 –29 outcomes 	Links to Corporate Plan outcomes 1,2,3,4,10
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	NA
What is the source of Funding?	NA
Has this Funding Source been agreed with the Chamberlain’s Department?	NA
Report of:	Judith Finlay – Executive Director, Community and Children’s Services
Report author:	Will Norman – Head of Homelessness Prevention and Rough Sleeping

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. It is an update on the position reported to Members at the Homelessness and Rough Sleeping Sub-Committee on 9 September 2024.

The report provides Members with an ongoing commentary on 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 formed part of the previous Government's Rough Sleeping Strategy, which set out the Government's vision to end rough sleeping by the end of the Parliament.
2. In February 2022, City of London officers submitted the 2022–2025 RSI proposal totalling £3,709,566. The core RSI award for 2024/25 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 new Government is yet to confirm its spending commitment at a local or sub-regional level. The Government's budget statement on 30 October 2024 pledged £233 million nationally towards tackling rough sleeping in 2025/26.
5. Challenges emerging from the uncertainty around any grant award beyond April 2025 are:
 - At a local level, the amount of funding is unknown. If the funding amount is 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 2024/25. Without notification of further funding, all contracts will need to end by 31 March 2025.
 - Any grant award for 2025/26 is expected to be limited to 12 months in duration.
6. Members of the Sub-Committee were informed in September that the Chamberlain's Department confirmed that three months of RSI programme service delivery (approximately £339,000), to cover the Quarter 1 period 2025/26, 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.

Current Position

7. Following the welcome news of a £233 million commitment to dealing with rough sleeping in the October budget, local authorities and sub-regional bodies are now awaiting details about local grant awards. While no formal communication

regarding these awards has been received as yet, we do expect to hear from the RSI in December 2024.

8. Separate to the RSI programme, the Ministry of Housing, Communities & Local Government (MHCLG) has awarded £10 million to Greater London to fund work to alleviate winter demand pressures. Funds are being allocated to sub-regions, with £433,000 designated to North-East London. City officers are working with colleagues across the sub-region to design interventions that add capacity and diversity to the City of London's rough sleeping offer.
9. The working assumption is that RSI funding for 2025/26 will be a rollover of existing funding. Should this be the case, and inflation was not accounted for, the grant proposal submitted to MHCLG would need to take account of this through savings found from the existing programme.
10. The City and Tower Hamlets Navigator contract is set to expire, with no possibility of extension. Officers are currently designing a solution that sustains service delivery to the client group, but also returns a saving. This and other adaptations will ensure that the cost of the 2025/26 RSI programme falls within the value of the grant awarded by MHCLG.
11. Lessons from the evaluation undertaken by officers earlier in the year, together with findings from the Rough Sleeping Service independent review (scheduled for early 2025) will be used throughout 2025/26 to take advantage of any new three- to five-year grant programme.
12. Officers will update Members as and when any subsequent correspondence is received from MHCLG regarding a 2025/26 award or future longer-term programme.

Options

13. There are no options for Members to consider.

Proposals

14. There is no proposal for Members to consider.

Key Data

15. There is no data related to this report.

Corporate & Strategic Implications

16. Financial implications – none
17. Resource implications – none

18. Legal implications – none
19. Risk implications – none
20. Equalities implications – none
21. Climate implications – none
22. Security implications – none

Conclusion

23. The Government has confirmed that £233 million will be made available nationally for local authorities to tackle homelessness in 2025/26. A decision about how this will translate into a grant programme is expected in December 2024.
24. MHCLG has awarded the North-East London sub-region £433,000 to help alleviate winter demand pressures.
25. A rollover of existing funding levels for 2025/26 is the most probable outcome, and officers have been planning for this outcome. This includes identifying areas where savings can be made to accommodate inflation within a grant funding envelope comparable to 2024/25.
26. The cost of the City of London RSI programme for 2025/26 will not exceed the size of the grant we are awarded.

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
- Post Rough Sleeping Initiative Planning Proposal Report – Homelessness and Rough Sleeping Sub-Committee – 9 September 2024

Appendices

- None

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