



Executive Director/Director Non-Key Executive Decision Report

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Report to: *Director of Housing & Neighbourhoods Service*

Date of Decision: *11th March 2019*

Subject: *Approval of Acceptance of Grant from Gov't's
Controlling Migration Fund for Work by Private
Housing Standards Team*

Which Cabinet Member Portfolio does this relate to? *Neighbourhoods and Community Safety*

Which Scrutiny and Policy Development Committee does this relate to? *Safer and Stronger Communities*

Has an Equality Impact Assessment (EIA) been undertaken?

Yes

No

Does the report contain confidential or exempt information?

Yes

No

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."

Purpose of Report:

This Report seeks approval to accept a grant of £192,560 from the Ministry of Housing, Communities & Local Government (MHCLG). This funding has been granted by MCHLG to fund additional staff recruitment to the Private Housing Standards (PHS) team, primarily to focus on intelligence-led work in the East of the city where poor housing conditions are believed to be linked to recent migration in to the area.

This Report also seeks approval for the above funding to be rolled over from 2018/19 into 2019/20, due the award of funding being made late in Q4 of the 2018/19 financial year.

Recommendations:**It is recommended that;**

The Council accepts £192,560 grant funding from the Ministry of Housing Communities & Local Government's Controlling Migration Fund to be utilised in line with this report.

Background Papers:

(Insert details of any background papers used in the compilation of the report.)

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: <i>Sonya Oates</i>
	Legal: <i>Henry Watmough-Cownie</i>
	Equalities: <i>Louise Nunn</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	Lead Officer Name: <i>Owen Roe</i>
	Job Title: <i>Project Officer</i>
Date: <i>15th April 2019</i>	

1. PROPOSAL

- 1.1 This report proposes that the Council accepts a grant of £192,560, to be used by the PHS team to employ additional staff to undertake work to tackle issues with poor condition of private rented property linked to recent migration into the city.
- 1.2 The grant has been awarded to Sheffield City Council by MHCLG, following a successful bid to the Gov't's *Controlling Migration Fund* in October 2019. This bid paper, entitled *Addressing Impacts of Migration Linked to Private Rented Housing in Sheffield*, and appendices are included as **Appendix A**.
- 1.3 The MCHLG grant letter and associated conditions documents are attached as **Appendix B**.
- 1.4 In summary, the bid proposed that migrants rely heavily upon private rented accommodation, which is often extremely poor in terms of property condition and management practices. Such properties and poorly managed tenancies have negative consequences for the wider community, as well as for the tenants themselves.
- 1.5 The bid requested funding to allow information gathering through proactive property inspections and data analysis regarding private rented properties in the East of the city, and to enable an enhanced approach citywide to disrupting organised crime such as human trafficking and labour abuse which is often found within and with links to the private rented market
- 1.6 The additional funding would also allow for more coordinated work between PHS officers and partner agencies to address wider issues in the neighbourhoods, with improved information sharing and joint working protocols established.
- 1.7 The Council's bid was for a total of £731,409, split into £243,803 for 2018/19 and £487,606 for 2019/20. MCHLG has awarded funding of £192,560 for 2018/19, with a decision pending about a further award of £385,120 for 2019/20.
- 1.8 The shortfall in funding between the bid and the award is due to two posts in the Council's bid not being granted funding by MCHLG. These posts are:
1 x *Property Management Officer*
1 x *Tenancy Sustainment Officer (Citywide)*
- 1.9 The reasoning given by MCHLG for this decision no to fund these two posts is as follows:
"Ministers decided that there was not strong evidence of the need for these roles in this context, compared to the roles focused on East Patch

and the strategic city-wide roles.”

- 1.10 The MHCLG grant letter is dated 25th February 2018. It is proposed that given the date of the award, late in Quarter 4 of the 2018/19 financial year, that the grant will be ‘rolled over’ into the 2018/19 award for spend in 2019/20.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 Sheffield City Council's vision is for housing to be at the heart of high quality, safe and distinctive places to live, enabling Sheffield's communities to thrive and be successful.
- 2.2 The proposed funding, if accepted, is primarily aimed at gaining a better understanding of and ultimately improving standards within the private rented sector with particular reference to recent migration. The Council believes that the positive impacts of this work would contribute to the wider objectives of the Corporate Plan, and outcomes in the following way;
- 2.3 ***An In-Touch Organisation***
The work this funding will support will enable the council to better understand the diverse needs of the population in the East of the city in relation to their housing choices, and empower private rented tenants to be able to sustain their tenancies successfully.
- 2.4 ***Economic Success of the City***
It is anticipated that the combination of investigation and enforcement work this funding will enable will bring about an investment in housing in the area in order to improve conditions, which will support and compliment the city's ambition to be a growing city economically. Improving the condition and safety of homes is vital to the overall attractiveness of the area and is a key component to why people choose to live and work in the area.
- 2.5 ***Thriving Neighbourhoods and Communities***
The funding, if accepted, will lead to investment and support to improve housing conditions, which will help increase the confidence in the area and encourage empty properties to be brought back into use.
- 2.6 ***Better Health and Wellbeing***
This funding will allow work to gain a better understanding of and then address hazards in the home, poor property conditions and poor management practices in privately rented accommodation, which will help create safer home environments contributing to an overall improvement in physical, mental and emotional health and wellbeing.
- 2.7 ***Tackling Inequalities***
By enabling work to identify and private rented accommodation where landlords let high risk dangerous properties, this funding will improve the living conditions of residents who live in substandard accommodation,

improving the safety and wellbeing for some of the most vulnerable occupiers.

3. HAS THERE BEEN ANY CONSULTATION?

3.1 The Council is not required to consult on this proposal.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

4.1.1 Accepting the grant will not directly impact on anyone or anything that supports the services that are accessed by our customers/tenants etc, therefore at this stage there is no need to complete an EIA.

4.2 Financial and Commercial Implications

4.2.1 This Section 31 grant allocation of £192,560 must be spent by 31st March 2020; however projects are permitted to continue beyond this date to account for staff recruitment and programme delivery. A further grant allocation of £385,120 for the project may be awarded in 2019/20; however the allocation has not yet been confirmed.

The grant is intended to fund the activities identified for the 'Addressing Impacts of Migration Linked to Private Rented Housing in Sheffield' project in the Council's bid submission to the DCLG. Changes to the described activities once the funding has been agreed must be approved by MHCLG.

The project must not be funded by grant monies other than the MHCLG funding awarded in the offer letter (no duplicate funding).

From a risk management point of view a project exit strategy should be developed by the Project Manager in case there is any change in MHCLG funding levels and also as there are no alternative sources of funding identified should there be any ongoing costs after the grant funding has ended.

An Impact Summary must be submitted and returned to the MHCLG within six months of the project ending or by 31st October 2020, whichever is the earliest.

All public sector procurement is governed by both European Legislation and UK National Law. In addition, all procurement in Sheffield City Council must comply with its own Procurement Policy, and internal regulations known as 'Contracts Standing Orders' (CSOs).

Contracts Standing Orders requirements will apply in full to the procurement of services, goods or works utilising grants. All grant monies must be treated in the same way as any other Council monies

and any requirement to purchase/acquire services, goods or works must go via a competitive process.

4.3 Legal Implications

- 4.3.1 There is no specific power that enables the Council to implement this particular project / work in the City. Under the General Power of Competence within the Localism Act 2011, the Council are permitted to do anything that individuals of full legal capacity may do giving the Council the power to take reasonable action it needs 'for the benefit of the authority, its area or persons resident or present in its area'. This includes entering into such agreements and incurring expenditure against the grant as detailed in the report.

Legal Services have looked at the proposed grant agreement as part of the input required under legal implications, there are no specific issues or matter arising and include reporting requirements / impact summary post project, which the Council must adhere to.

Of particular note are implications arising from Data Protection Legislation, the Council must ensure that any statutory obligations are addressed.

4.4 Other Implications

4.4.1 HR Implications

- 4.4.2 The grant, if accepted, will be used to fund recruitment of new staff, which will be done in accordance with SCC HR policies.

5. **ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 Without the additional funding, the PHS team could seek to operate on a 'business as usual' basis in the East of the city, fulfilling its statutory requirements with a reactive approach to reports of property disrepair and poor management. This option relies on tenants reporting issues, which is recognized as less likely to occur with recently arrived migrants (see Section 2 of bid paper, attached as **Appendix A**), and does not address poor standards in a strategic way. Nor does it allow for the enhanced work with partner organisations to tackle wider issues such as serious and organised crime and benefit fraud.

- 5.2 The PHS team could seek additional funding elsewhere, either from within Council budgets or by bidding to other external sources. Existing Council budgets are already strictly controlled, and bidding for alternative external funding would delay any work commencing, even if alternative external funding was available and any bid for it proved successful.

6. **REASONS FOR RECOMMENDATIONS**

- 6.1 Accepting the £192,560 of MHCLG funding would allow staff to be recruited and commence work that could not otherwise be carried out within the Council's current budgets.
- 6.2 Rolling the funding over into 2019/20 will allow spending to occur following the proper legal processes, and following consideration as to the best strategic application of the grant.
- 6.3 The primary outcome of the acceptance of the funding will be the recruitment of staff as outlined in the bid included at **Appendix A**, adjusted as per Section 1.8 above, who will work to develop and then enact a plan of proactive inspections of private rented property in the East of the City, compile an ownership database, and offer enhanced tenancy support, more effective referral pathways, and better joint working practices with other agencies.
- 6.4 Acceptance of the grant will bind the Council to the conditions outlined in Appendix B, and officers will therefore produce an Impact Summary document for MHCLG, as well as sharing learning acquired through work on the project.
- 6.5 A full project plan for the work described in 6.3 will be produced, and submitted for approval through the appropriate route as part of the Executive Decision making process.
- 6.6 As part of the project plan described above, full regard will be given to the implications of the Council collecting, holding and potentially sharing large amounts of personal data in the form of an ownership database, and ongoing work with the Information Management team will continue, including the production of a full Data Protection Impact Assessment to be updated throughout the life of the project.