

Appendix A – DCLG Funding to Support Homelessness Prevention & Reduction Policy

1. Tackling Bristol's homelessness crisis is one of the key objectives of the 2017 – 2022 Corporate Strategy. The services to be delivered will fit with Bristol existing Strategic approach to preventing homelessness. The bids align with the Early Intervention approach - one of the three key objectives in the Housing Strategy. The Preventing Homelessness Strategy has 6 key objectives – four of these are directly relevant to the programmes being funded by the DCLG:
 - Minimise homelessness through early intervention- by understanding and tackling the (often complex) reasons behind it, with special emphasis on young people.
 - Continue to assertively tackle rough sleeping; target those clients with complex, multiple needs.
 - Make more direct links between homelessness and the housing, health and wider policy agenda.
 - Ensure the right support is in place and that those ready to do so move-on promptly and reduce repeat homelessness.
2. Through designing and piloting a new approach to tackling entrenched rough sleeping we will work with partners to establish, review and revise best practice to achieve system change for those with the most complex needs and reduce rough sleeping across the City.

Bristol's 3 tier approach to preventing homelessness

3. The successful bids, and existing homelessness work, fit within Bristol's 3 tier approach to preventing homelessness, created in line with the approach adopted as part of the wider Better Care agenda:
 - Help to help yourself (Tier 1) *Prevent*
Accessible, friendly, quick, information, advice, advocacy, universal services to the whole community, prevention.
 - Help when you need it (Tier 2) *Respond*
Immediate help, minimal delays, no presumption about long-term support, goal focussed.
 - Help to live your life (Tier 3) *Recovery*
Self-directed, personal budget based choice and control.

The diagram appended sets out to illustrate how the bid proposals fit with existing provision.

- **Homelessness Prevention Trailblazers**

Bristol's Homelessness Prevention Team is reinvigorating its approach to preventing homelessness in the first place and has completed a service redesign as part of that approach – tier 1 of the model described. The first successful application – Trailblazer bid – aligns closely with this work. Helping us to work much more closely with private landlords, the families of young people and debt advice organisations to tackle the most common causes of homelessness, which intelligence tells us is private rental (assured) tenancies coming to an end

and people being asked to leave the family home. We will analyse the routes into homelessness amongst our cohort in order to strengthen the tier 1 approach and prevent people from becoming homeless.

- **Rough Sleeping**

The rough sleeping grant aligns with Tier 2 – seeking to help those new to the streets, or at imminent risk of sleeping rough to the rapid support they need.

- **Entrenched Rough Sleeping – Social Impact Bond**

The Entrenched Rough Sleeping Social Impact Bond fund will offer personalised support to individuals unable to break out of the cycle of homelessness, often as a result of criminality, mental ill health and substance misuse'

- aligning with Tier 3 support

Homelessness Prevention Trailblazers

4. The homelessness prevention trailblazer grant seeks to establish a network of ambitious areas across England to fundamentally reform the response to homelessness. The funding Bristol has been awarded is £925,000. over a 2.25 year period (1st January 2017 to 31st March 2019).
5. Partners and key stakeholders include: Advice Centres for Avon, Children's Services, Citizens Services (Housing Benefit Team) and Housing Options Service. The grant conditions rest with BCC, not with our partners. Commissioned partner agencies will be subject to our VCS grant funding agreements – which are rigorous.
6. The programme will develop effective early intervention and prevention measures, using various predictive tools, and then make interventions with households most at risk of homelessness if their private rented sector tenancy came to an end. The programme will also target high risk groups to offer resilience training.
7. The services will be provided by the Council through the establishment of a new prevention team within Housing Options (building on the success of the Advice Plus project) and voluntary sector advice agencies. Some of the funding has been used to retain existing Advice+ posts, widening and detailing the remit of their roles to meet the terms of the bid. And we are in the process of recruiting to 2 new advice posts. We have also recruited a Business Intelligence Developer and are in the process of recruiting an Early Help Coordinator. These arrangements were subject to both People Panel approval and HR advice concerning contract extensions.
8. The team within Housing Options will consist of Link Workers who will reach out to at risk families identified from Housing Benefit and Think Family data (to particularly work on increasing employability and access to work), Welfare Rights Advisers who will ensure all entitlements are accessed, a Case Coordinator to work across Early Help and Homelessness Prevention Team to prevent families becoming intentionally homeless and a data analyst/customer insight officer to ensure at risk households are identified and monitoring is carried out.

9. £225,000 of the total Trailblazer funding will be used as grant funding and allocated to North Bristol Advice Centre, South Bristol Advice Service, Talking Money, Bristol CAB and St Pauls Advice Centre (£40,000) per organisation and £25,000 to CHAS Bristol which is small specialist housing advice agency dealing with complex cases that if not resolved would lead to homelessness. Each of these agencies will be required to deliver increased HAPIs (housing advice performance indicators as measured through the statutory dataset P1E) over and above the outcomes delivered through the Bristol Impact Fund.
10. A successful DCLG Trailblazer bid required strong partnership arrangements. Because we believe that early interventions from professional advice givers is essential in helping the city to increase its homelessness prevention outcomes, a decision was taken to partner with 6 of BCC's main partner advice agencies. 5 of these were previously required to report quarterly to BCC as a grant condition on the homelessness prevention outcomes they had achieved. Therefore it was a rational and sensible approach to fund them to develop, innovate and continue homelessness prevention work as Trailblazer partners.. The level of funding for each over the funding period of 2.25 years is low so a full and lengthy procurement process was not reasonable nor necessary.
11. Extensive monitoring of Trailblazer activity, outputs and outcome is required by DCLG as well as wider Homelessness Prevention Team activity and we are currently negotiating on what is feasible. BCC will be part of a DCLG coordinated group comprising all local authorities that are in receipt of Trailblazer funding to ensure exchange of learning and wider dissemination of the results.

Rough Sleeping Grant

12. This is a joint project with North Somerset to develop a rapid assessment and reconnection/mediation/tenancy rescue service for people new to the streets (No First Night Out), operating 5-11pm daily. Funding awarded was £382,867 over 2.25 years. (1st January 2017 to 31st March 2019).
13. The service will be run by voluntary sector agencies and assess people either by phone, online or presenting at specific drop-ins – in partnership with day centres, Night Stop and existing shelter provision. The service will run 5-11pm each evening, including an outreach worker based at the Julian Trust Night Shelter. The funding also covers some data analysis work to help inform more effective targeting of resources.
14. The North Somerset assessment service will complement this work. North Somerset does not currently operate to No Second Night Out standards, The grant will also fund an NSNO worker who will ensure clients have clear pathways off the streets. There will also be telephone access to the assessment service in Bristol and some use of Bristol assessment centre / night shelter provision.
15. Partners and key stakeholders include: North Somerset Council; Bristol Royal Infirmary; Bristol CCG; Citizens with Experience and; Bristol Rough Sleeping Partnership. Initial meetings have been held with partner organisations and a grant agreement is currently being drafted. The main recipient of the grant will be St Mungo's who also hold the contract for the Rough Sleeper service. There is also some funding for BCC for data analysis work (a joint post between the three projects) and funding for office space at Caring in Bristol. St Mungo's will work with, and liaise with, partner organisations

who come into contact with people who will be homeless that night. And provide 24 hour access to a Safe space as the first point stage in moving into other accommodation to prevent rough sleeping.

Entrenched Rough Sleeping Social Impact Bond Funding

16. The third successful application was for an Entrenched Rough Sleeping Social Impact Bond fund. The amount of funding awarded over four financial years was £1,125,000 for the payment by results element of the Social Impact Bond. In addition, the overall award includes a further £50,000 set-up costs, £15,000 per annum for ongoing quality monitoring and £16,000 to conduct an independent evaluation.
17. A Social Impact Bond is a payment by results contract between the public sector and a provider that is typically funded by social investors. The public sector pays the provider for the achievement of social outcomes (in this case around entrenched rough sleeping) who in turn repay the investors. A Social Impact Bond (SIB) is not a bond, per se, since the repayment and return on investment are contingent on the achievement of desired social outcomes; if the objectives are not achieved, investors receive neither a return nor repayment of principal. Typically social investors would aim to achieve a return of approximately 7% for outcomes being achieved with higher returns for achieving “stretch targets”. As part of the competitive process to appoint a provider BCC will challenge providers and investors to make sure that there is an appropriate calibration between achievements of outcomes and returns such that investors only make returns on investment for achieving outcomes for individuals that current services are failing.
18. For this SIB, the intention is that the local authority will commission a provider organisation to deliver an intervention programme for entrenched rough sleepers. This organisation will need to demonstrate that it has investors in place to provide the initial funding for the programme. As the agreed outcomes are achieved and demonstrated the local authority draws down payments from the DCLG that can then be passed on to the provider organisation and their investors. The DCLG are covering the full cost of the outcome payments in this SIB.
19. The proposal is to commission services specifically targeted at a named cohort of entrenched rough sleepers who the current system is failing. The cohort has to be comprised of individuals who meet the criteria set out on page 1 of Appendix 2. The commissioned service will provide additional personalised and flexible support for these individuals funded by payments from the DCLG with a 100% Payments by Results contract. We will be building on learning from the London SIB programme that has had a significant impact on keeping the targeted longer term rough sleepers off the street.
20. The outcome payments criteria and rates have been set by the DCLG. The payments are linked to achieving better outcomes in three domains: accommodation, better managed health needs and entry into employment. DCLG will make payment only on the achievement of the following outcomes at the following rates:

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	Outcome	Rate
Accommodation	Entering accommodation	£600

	3 months in accommodation	£1,500
	6 months in accommodation	£1,500
	12 months in accommodation	£2,600
	18 months in accommodation	£2,500
	24 months in accommodation	£1,800
Better managed needs	General wellbeing assessment x3	£100
	MH entry into engagement with services	£200
	MH sustained engagement with support	£600
	Alcohol misuse entry into alcohol treatment	£100
	Alcohol misuse sustained engagement with alcohol treatment	£1,100
	Drug misuse entry into drug treatment	£120
	Drug misuse sustained engagement with drug treatment	£2,600
Entry into employment	Improved education/training	£500
	Volunteering/self-employed 13 weeks	£400
	volunteering/self-employed 26 weeks	£800
	Part time work 13 week	£1,900
	Part time work 26 week	£1,800
	Full time work 13 weeks	£2,400
	Full time work 26 weeks	£2,200

The average cost expected to be paid out for an individual is £9,000. A maximum payment per individual (or CAP) will be set at £19,000 per individual. More details are attached in appendix 2 – GCLG Social Impact Bond delivery Guidance.

21. We have identified a potential cohort of 125 longer term rough sleepers.

- 75% of this cohort are male
- average age is 33 – with half under 30
- 55% are known to drug and alcohol treatment services (38% for more than three years).
- 20% are in 'shared care', i.e. they have an open methadone prescription and being seen regularly by their shared care worker.
- 76% had committed a criminal offence since April 2007. These individuals had collectively been linked to over 1,300 offences since April 2007, around half of which were theft/handling stolen goods.

22. The final cohort included in the SIB will be identified through a fresh look at our existing rough sleeper database and Housing Support Register (HSR). To include people who meet the criteria and have been sleeping rough for long periods and/or have had repeated unplanned departures from supported housing. It will exclude ineligible cohorts, those currently actively engaged with services or receiving services from Golden Key.
23. This is a joint initiative with Safer Bristol and CCG – with BCC as the lead commissioner. Our ability to evidence some of the Outcomes (which are linked directly to payments) is dependent upon data held within Safer Bristol or Bristol CCG. Therefore a memorandum of understanding (MoU) is being developed to ensure that these obligations will be met.

Succession Planning & Potential Cost Savings

24. The DCLG is fully funding the SIB in Bristol (along with seven other programmes across the country) to look at how effective this approach is to tackling these entrenched issues. This programme should also help quantify cost avoidance/savings across the public sector.
25. We have a good track record of sustaining successful initiatives. Where there is strong evidence that a particular approach is successful (e.g. psychologically informed environments) we have adopted it and outcomes have improved accordingly. We intend this SIB to contribute to a local evidence base about effective outcomes which can drive efficiency savings, service improvements, and adopted in future commissioning.
26. The programme should also highlight any potential cost savings to the wider public purse. For example the annual 'costs' to the criminal justice system (police/courts/probation etc.) are estimated to be a total of around £60,000 (this links to offences associated with the identified cohort in the 12 month period ending October 2016). Being able to evidence wider savings to the criminal justice service, (or to the health service – for example in reduced A&E admissions) could lead to contributions from those commissioners into the funding of our future services.

Procurement

27. DCLG Guidance indicates that:

Lead local authorities are responsible for procuring and contracting providers to deliver their SIB, and there is no requirement for this to be undertaken in a specific way.

In order to select a delivery partner we propose to undertake a competitive procedure with negotiation to identify an experienced and innovative provider organisation to deliver the required outcomes - and demonstrate that they have the necessary social investor/s in place. The provider needs to be selected and in a position to start the programme by October 2017. The contract will commence October 2017 and can run for up to, but not beyond 4 years being October 2017 – August 2021.

Governance

28. A governance structure is being finalised to oversee all three programmes. This will include representatives from the council, Safer Bristol, the CCG and Bristol's homelessness expert citizens

group (people with lived experience of homelessness). There will be regular updates to the Homes Board through the Early Intervention and Preventing Homelessness Challenge Group.

IT/Data Sharing and Information Governance

29. IT requirements, data sharing implications and Information Governance issues are currently being explored. This is to include a secure electronic platform for SIB data collection and data sharing protocols and requirements. The CCG have proposed that a project wide Privacy Impact Assessment be completed. A data collection and sharing agreement with the DCLG is still to be agreed.

Grant Terms and Conditions

30. The Homelessness Prevention Trailblazers Grant and the Rough Sleeping Grant funding have been awarded as Section 31 grant of the Local Government Act 2002.
31. The terms and conditions for the Entrenched Rough Sleepers SIB funding are set out in appendix 2. The DCLG Guidance states that:

Outcome payments will be made quarterly on the basis of all evidenced outcome claims submitted over the quarter. All delivery must have started by October 2017 at the latest, with the final date to report outcomes being January 2021.

DCLG will pay local authorities for outcomes the quarter after they have been submitted. DCLG will pay lead local authorities for outcomes achieved based on a quarterly declaration of outcomes. Lead local authorities therefore have responsibility for undertaking appropriate verification that the outcomes they declare have been achieved, and that they have been achieved by activity that was genuinely additional. How this is accomplished will need to be considered by commissioners during the procurement stage, but as a minimum lead local authorities will need to check and verify 10% of the outcomes and associated evidence submitted by providers. This could be achieved through (for example):

- *reviewing physical evidence on a 10% sample using the database provided by DCLG*
- *reviewing outcomes achieved and associated evidence at a regular case meeting with providers*
- *using local data sharing agreements to monitor outcomes and evidence*

DCLG (or contractors working on their behalf) reserve the right to validate a sample of payments on a regular basis.

The DCLG conditions relating to the set-up grant costs indicate that:

Your acceptance of the funding commits you to becoming a Homelessness Prevention SIB, which includes committing to work closely with the Department to improve our homelessness data and evidence base.

Consultation and scrutiny input:

a. Internal consultation:

The initial applications were supported by Strategic Planning, Finance, Procurement & Commercial Relations Service and Safer Bristol.

b. External consultation:

The initial SIB applications were supported by a range of external bodies, agencies and/or providers. Key partners include: Bristol Clinical Commissioning Group (potential co-commissioner), Bristol Supported Housing Forum, Golden Key, Bristol Mental Health, Bristol ROADS (Recovery Oriented Alcohol and Drugs Services), National Offenders Management Service, Avon and Somerset Police, Bristol Learning City Partnership, Bristol and Bath CIC and Public Health.

The Bristol Homes Board were updated on the successful bids at their recent meeting (29th March 2017) and indicated their full support for these initiatives.

Other options considered:

Not applying for the funding:-

Given that no matched funding was required and that a successful bid brings additional resources to the council – it would have been a missed opportunity not to bid.

Risk management / assessment:

The following risks have been identified in relation to the decision to procure a service that aims to reduce rough sleeping and that all payments are based on the achievement of the outcomes specified by DCLG:

FIGURE 1

The risks associated with the implementation of the (subject) decision :

No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK		RISK CONTROL MEASURES Mitigation (ie controls) and Evaluation (ie effectiveness of mitigation).	CURRENT RISK		RISK OWNER
		(Before controls)			(After controls)		
		Impact	Probability		Impact	Probability	
2	<p>The Grants are distributed to the local authority under Section 31 of the Local Gov't Act 2003 as a grant from DCLG.</p> <p>The grant would need to be repaid if it is not used for the purpose intended or is not spent.</p>	Low	Low	<p>Regular reporting to the Project board on progress and outcomes and compliance with monitoring to DCLG will mitigate against any grant funding having to be repaid.</p> <p>Payments made periodically to reduce the risk of signification loss due to advance payment.</p> <p>Grant Agreements make</p>	Low	Low	

				provision for recovery and the circumstances under which this may occur.			
3	The procurement process for SIB is delayed and do not meet October deadline for start of programme	High	Medium	In conversation with DCLG on this. Re-assured that that slippage to end of quarter 3 (December 2017) will be tolerated.	Medium	Low	
4	Although Project management resources for SIB procurement and other set up costs are covered within the award – internal BCC spend gateways mean that relevant expertise/resources cannot be purchased resulting in poor procedure process / contract documentation etc.	Medium	Medium	Internal project manager resources have been identified to fill initial gap. Raising issue through governance structure. Recruitment for commissioning manager underway.	Medium	Low	
5.	The SIB outcomes and payment schedule have been set by DCLG and may not address local priorities.	Medium	Medium	Having reviewed the outcomes they are relevant to our current direction of travel and the scope for local interpretation is currently being explored with DCLG.	Low	Low	
6	Existing services are currently commissioned to deliver outcomes, whilst these aren't payment by results there is a risk that attributing the achievement of outcomes to the SIB provider could prove difficult and cause issues.	Medium	Medium	As part of identifying the cohort the project team will map out existing service involvement and any issues will be escalated to project board. The chosen SIB delivery partner will be able to negotiate payment for outcomes with other / existing providers.	Low	Low	
		medium	low	The majority of the funding (low	low	

7.	The second tranche of the SIB set-up and monitoring costs are not released by the DCLG.			£90K of the £126K successfully bid for) has been awarded in the first tranche. The DCLG will be sharing an MOU shortly which details the full terms of the allocation			
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FIGURE 2

The risks associated with not implementing the *(subject)* decision:

N o.	RISK	INHERENT RISK		RISK CONTROL MEASURES	CURRENT RISK		RISK OWNER
		(Before controls)			(After		
	Threat to achievement	Impact	Probabili		Impact	Proba	
1	Reputational risk for council if the SIB programme cannot be delivered and funding awarded cannot be drawn down	High	High	Working to ensure that procurement process can be completed as quickly as possible whilst still ensuring good quality process, checks and governance in place.	Mediu m	Low	
2	Loss of additional resources to work with entrenched rough sleepers	High	High	As above. The majority of the funding streams detailed in this report are additional to the proposed citywide approach subject to BCC funding.	Mediu m	Medi um	

Appendices:

Appendix 1 – Strategic fit diagram

Appendix 2 – Social Impact Bond Delivery Guidance