

# Decision Pathway



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 25 February 2021

<b>TITLE</b>	Commissioning of Rough Sleeping Services		
<b>Ward(s)</b>	City wide		
<b>Author:</b> Hywel Caddy	<b>Job title:</b> Commissioning Manager (Homelessness)		
<b>Cabinet lead:</b> Councillor Helen Godwin	<b>Executive Director lead:</b> Stephen Peacock		
<b>Proposal origin:</b> BCC Staff			
<b>Decision maker:</b> Cabinet Member <b>Decision forum:</b> Cabinet			
<b>Purpose of Report:</b> <p>This report seeks approval for the tendering for Rough Sleeper Service from October 2021 as set out in the draft Commissioning Plan for reducing rough sleeping and to delegate approval of the final Commissioning Plan to the Executive Director of Growth and Regeneration and Head of Procurement in consultation with the Cabinet Member for Housing.</p> <p>The new contract will be for a three year contract from October 2021 with break clauses and options to extend for two periods of two years subject to internal BCC budgets.</p> <p>Approval is also sought for the submission of funding bids made to the Ministry of Housing, Communities and Local Government (MHCLG) for the Protect Programme, Protect Plus funding and the Rough Sleeping Initiative (RSI) continuation funds that have subsequently been awarded. Additionally, the report asks that approval is given for the Executive Director of Growth and Regeneration to authorise and accept the (MHCLG) RSI potential additional grant funding and to spend it to reduce rough sleeping for 2021/22.</p>			
<b>Evidence Base:</b> <b>Background</b> <b>Increase in rough sleeping in Bristol</b> <p>The Rough Sleeper Service (RSS) is commissioned to reduce rough sleeping in the city. The current RSS started on October 1st 2014 for three years and has subsequently been extended - with Cabinet approval – to September 2021. The number of people sleeping rough in Bristol has increased markedly since 2013 coinciding with government reductions to local authority funding and freezing of Local Housing Allowance rates. The recent annual snapshot count of people sleeping rough was much lower due to the impact of 'Everyone in' (50 in comparison to 98 last year) but the level of people coming onto the streets has doubled this year. The Government has provided additional funding to local authorities through the Ministry for Housing, Communities and Local Government (MHCLG) in order to fulfil the aims of the Rough Sleeping Strategy to end rough sleeping by the end of this Parliament (2024).</p> <b>Funding for rough sleeping services</b> <p>Aside from funding for supported housing, the majority of annual funding for rough sleeping services in the city is funded by MHCLG. In 2020-21, the overall pot of funding for direct service provision to assist people off the streets or to prevent people rough sleeping is £3,425,326 of which 15% or £521,553 comes from an internal revenue fund. Since 2010, Central government grants to local authorities – including retained business rates – have been cut by</p>			

38% in real-terms between 2009/10 and 2018/19 and this has impacted on the funding available for rough sleeping services in the city. The BCC budget to tackle rough sleeping was £557,000 in 2013 and reduced to £521,553 in 2017. There has been no inflationary uplift in this figure since 2013 and reflects the difficulties we have in aiming to reduce and end rough sleeping in the city by 2027 without additional government funding. The proposed budget in the tendering process will be £559,550 p.a.

Whilst additional government funding is welcomed by BCC, the MHCLG funding streams and bidding opportunities have short run in periods and are for short time periods creating difficulties in regard to strategically commissioning services to reduce rough sleeping – we are in the process of preparing a bid for submission for 2021-22. MHCLG has confirmed that Bristol will receive at least as much funding in 2021-22 as was funded current year (continuation funding of £2.815M). Currently we are proposing continuation funding for:

1. A high support hostel until a move into the supported housing pathways can be secured (in place of the St Anne's night shelter).
2. Two flexible floating support services to assist people to move into sustainable housing options (low and high support).
3. 2 prison release posts
4. Two additional Outreach worker posts
5. Mental health nurse working with the Outreach team
6. Rough Sleeping Prevention Service (RSPS) linked to a low support hostel
7. Two posts to source and link people to private sector tenancies (for prevention and pathway move-on)
8. A supported housing team to support people working with the RSPS to move into PRS accommodation
9. Navigators
10. Overall coordination of programme

Additionally, we are looking to submit proposals around a range of new interventions to strengthen our current services - and fill any gaps- to augment our approach to reducing rough sleeping. We will also be meeting with providers to consider services that they are proposing as gaps in the current system. As the MHCLG have been so late in opening the application process and the May elections will prohibit formal decision making over grant acceptance, agreement over use of grant and procurement of services funded a request is being made to delegate authority the Executive Director of Growth and Regeneration to authorise acceptance and spend of any additional RSI funding for new services in 2021-22 awarded by MHCLG.

On 5<sup>th</sup> November Bristol City Council was named one of the ten areas in England to receive funding for the Protect Programme from MHCLG aimed at the provided accommodation for clinically vulnerable rough sleepers this winter during the second Lockdown. A bid was submitted on the 16<sup>th</sup> November for the Protect programme and the Cold Weather fund and following further discussions on content the bid has now been assessed and Bristol has been awarded a total of £705,695. We have also been successful in applying for £122,663 through the Protect Plus MHCLG fund due to the implications of this third Lockdown. Approval is sought from Cabinet to accept the grant funding and agree spend of the grant funding on the projects set out in Appendix A.

Approval for recommissioning of the Rough Sleeper Service – and associated Commissioning Plan and services – went to Cabinet for approval on March the 3<sup>rd</sup> 2020. Since then the COVID-19 Pandemic halted the recommissioning process and has depleted the financial reserves that provided the financial security to commission two rough sleeper services for a two and a half year period. As a result a revised draft Commissioning Plan has been produced. The new Commissioning Plan will not be consulted on again as the general principles behind service commissioning were already established in the previous Commissioning Plan and any changes are forced through financial reasons or due to COVID-19.

As the Government Spending Review has again been limited to one year we are seeking approval to recommission the core Rough Sleeper service at a cost of £559,550 per annum (for longer term rough sleepers and those returning to the streets). We are proposing that the service is commissioned for an initial period of three years with an option to extend for two consecutive periods of two years (3+2+2). Unfortunately, due to the short term funding arrangements from MHCLG we can only commit to funding the Rough Sleeper Service for more than one year as it is

funded from internal council budgets. The Rough Sleeping Prevention Service can only be funded on an annual basis due to the Government being restricted to a one year spending review due to COVID-19 restricting longer term funding opportunities from MHCLG.

### Draft Commissioning Plan

The draft Commissioning Plan is attached as appendix to this report. We are asking for approval to progress with recommendations arising from the final commissioning plan and associated procurement processes, and subsequently award of contracts to be delegated to the Executive Director of Growth and Regeneration and Head of Procurement. Delegated approval is being sought because there will be no Cabinet until June 2020 due to local Mayoral and Councillor elections. The draft Commissioning Plan sets out the recommendations we are making for future services and this will be finalised once going through the internal sign off processes.

Service	Process	Timescale
<b>Prevention/new to the streets service</b>	<p>We are proposing that this will be a direct award to St Mungo's from 1st April 2021 to 31<sup>st</sup> March 2022 (subject to funding from MHCLG) under PCR Regulation 32 extreme urgency.</p> <p>The current service of the YMCA leased hostel (to March 21)/other accommodation with support and the Rough Sleeping Prevention Service will be provided by St Mungo's until the current contract variation comes to an end on 31<sup>st</sup> March 2021.</p> <p>If we do receive longer term funding from MHCLG after 2021-22 we also propose to return to our initial proposal of going out to tender for this service subject to longer term funding.</p>	<p>Direct award under the PCR Regulation32 - Extreme Urgency. 1<sup>st</sup> April 2021.</p> <p>If longer term funding made available after 2021-22 consider going out to tender.</p>
<b>A longer term/returner service for people sleeping rough (core rough sleeper).</b>	<p>This lot will be through a competitive tender.</p> <p>The current Rough Sleeper Service will be provided by St Mungo's at 1 New St until the current contract comes to an end on 30<sup>th</sup> September 2021.</p> <p>Contracts are proposed to be for three years, with options to extend for two further periods of two years subject to funding.</p>	<p>Competitive process – from April 2021</p> <p>New service in place – 1<sup>st</sup> October 2021</p>
<b>Resettlement, longer term support and navigation</b>	<p>Current services extended to 31<sup>st</sup> March 2022.</p> <p>If longer term funding available from MHCLG after 2021-22 then propose to put in place a Framework of providers with competitive call-offs for the following services (and any similar types of services that may be needed):</p> <ul style="list-style-type: none"> <li>• Navigation</li> <li>• Longer term support</li> </ul> <p>The Framework will be in place for five years with the option to extend for up to a further two periods of one year each. Contract lengths will be determined by the length of the funding available.</p>	<p>Current services extended/varied to 31<sup>st</sup> March 2022.</p> <p>Framework established and call-offs – Autumn 2021</p> <p>New service in place at the earliest – 1<sup>st</sup> April 2022</p>
<b>Accommodation Framework</b>	<p>This will be a Framework of providers with competitive call-offs for the following services (and any similar types of services that may be needed):</p> <ul style="list-style-type: none"> <li>• Shelter provision – subject to reduced risk of COVID-19 transmission;</li> <li>• Local lettings agency -if decided not to use BCC PRT team;</li> </ul>	<p>Current services likely to be extended/varied to 31<sup>st</sup> March 2022</p> <p>Framework established and call-offs – Autumn 2021</p>

	<ul style="list-style-type: none"> <li>Longer term accommodation.</li> </ul> <p>The Framework will be in place for five years with the option to extend for up to a further two periods of one year each. Contract lengths will be determined by the length of the funding available.</p>	<p>(at the earliest) New service in place – 1<sup>st</sup> April 2022 (at the earliest)</p>
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As stated above, when we go out to tender for these services/frameworks we will be ensuring that there are clauses included that allow for any reductions in funding from MHCLG in future years – in recognition that funding levels from the MHCLG for 2022/23 onwards will not be known. There are also interventions required around the supply of accommodation and affordable move on options (aligned to the Accommodation Options framework) that are currently being developed into more robust proposals. When these proposals have been assessed for viability we will seek any further approvals.

**Cabinet Member / Officer Recommendations:**

That Cabinet:

1. Authorise the Executive Director of Growth and Regeneration and Head of Procurement, in consultation with the Cabinet Member for Housing, to approve the final Commissioning Plan, tendering recommendations for the core Rough Sleeper Service and to take all steps necessary to deliver, procure and award a contract from October 2021 for three years with options to extend for two periods of two years at a cost of £1,678,650.
2. Approve the submission and spend of Ministry of Housing, Communities and Local Government’s Protect Programme, Protect Plus and Rough Sleeper Initiative continuation funding - assumed above in this report – in line with grant conditions.
3. Authorise the Executive Director of Growth and Regeneration, in consultation with the Cabinet Member for Housing to authorise and accept the (MHCLG) RSI potential additional grant funding above assumed above in this report and to spend to reduce rough sleeping for 2021/22 in line with any grant conditions.

**Corporate Strategy alignment:** Key commitment to reduce the overall level of homelessness and rough sleeping, with no-one needing to spend a ‘second night out’.

**City Benefits:** The Draft Commissioning Plan and EQIA provide a useful overview. In brief the proposal will assist many rough sleepers to access accommodation and support improving their health and reducing the physical and mental health impact of living on the streets.

**Consultation Details:** Pre-consultation - Staff and client feedback - 17<sup>th</sup> October to 31<sup>st</sup> October 2019 35 staff and 70 service users, from a range of services for people rough sleeping, gave feedback in different ways. This informed the draft Commissioning Plan which was consulted on from 14<sup>th</sup> December 2019 to the 31<sup>st</sup> March 2020. The new draft Commissioning Plan has been discussed with people with lived experience on the IF group. Full consultation on the new draft has not been undertaken as the principles of the Commissioning Plan were established and consulted on at the beginning of the year and any changes are due to financial constraints and the impact of COVID-19.

**Background Documents:**

**Rough Sleeping Strategy:** <https://www.gov.uk/government/publications/the-rough-sleeping-strategy>

**Delivery Plan:** <https://www.gov.uk/government/publications/rough-sleeping-strategy-delivery-plan>

<b>Revenue Cost</b>	<b>£5,321,776 (total of funding shown opposite Source of Revenue Funding)</b>	<b>Source of Revenue Funding</b>	<p>General Fund Budget</p> <ul style="list-style-type: none"> <li>£1,678,650 Funding for longer term/returner service for people sleeping rough (core rough sleeper service). Ongoing cost of £559,950 p.a.</li> </ul> <p>Additional Grant Funding sources:</p> <ul style="list-style-type: none"> <li>MHCLG Protect programme Grant for 2020-21 (£705,695). One-off cost</li> <li>MHCLG Protect Plus Funding 2020-21 (£122,663). One-off cost</li> <li>MHCLG RSI Grant for 2021-22 (minimum of £2,814,768). One-off cost</li> </ul>
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<b>Capital Cost</b>	£0	<b>Source of Capital Funding</b>	n.a.
<b>One off cost</b> <input checked="" type="checkbox"/>	<b>Ongoing cost</b> <input checked="" type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

**Required information to be completed by Financial/Legal/ICT/ HR partners:**

**1. Finance Advice:** There is an annual general fund budget of £0.560 million for the provision of rough sleeping prevention service. Due to the uncertain economic climate and the potential for reduced Local Government funding in the medium term, the three year contract should not be volume specific and should include relevant break clauses to enable Council expenditure on this service provision to remain within the allocated budget each year. Any further grants awarded by MHCLG during 2021/22 will be used to provide services as per the bid or grant conditions.

Whilst an indication has been given by MHCLG of the level of grant Bristol may receive it has yet to be formally allocated so until grant is confirmed formally some spend should be held in abeyance to mitigate the risk of a lower than anticipated grant award. Government have announced their spending review for 21/22 and set departmental limits so this risk remains low.

Commissioning services to reduce rough sleeping using one-off funding confirmed late doesn't help deliver long term outcomes through effective commissioning and procurement of services and representation should continually be made for longer term more secure funding for this area.

**Finance Business Partner:** Michael Pilcher, Chief Accountant 16/02/2021

**2. Legal Advice:** : If the grant funding bid is successful, the procurement process must be conducted in line with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the grant agreement, conduct of the procurement process and the resulting contractual arrangements.

**Legal Team Leader:** Husinara Jones, Team Leader/Solicitor, 1<sup>st</sup> December 2020

**3. Implications on IT:** No anticipated impact on IT Services

**IT Team Leader:** Simon Oliver 1 December 2020

**4. HR Advice:** There are 11 fixed term posts that are based in four teams within Homes and Landlord Services which are directly affected by the proposals. These fixed term posts are funded through the Rough Sleeping Initiative (RSI) funding stream from MHCLG. If funding for these posts is not agreed by MHCLG for the 2021-22 funding bid the fixed term contracts would be terminated on the grounds of redundancy, and the individuals in the roles (with the exception those seconded from another post) would qualify for a redundancy payment.

**HR Partner:** Celia Williams 11<sup>th</sup> December 2020

<b>EDM Sign-off</b>	Stephen Peacock	2 <sup>nd</sup> December 2020
<b>Cabinet Member sign-off</b>	Councillor Helen Godwin	7 <sup>th</sup> December 2020
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	18 <sup>th</sup> December 2020

<b>Appendix A – Further essential background / detail on the proposal</b> A1 Breakdown of Protect Programme, Cold Weather fund and Protect Plus Award. A2 Draft Commissioning Plan.	<b>YES</b>
<b>Appendix B 1-3 – Details of consultation carried out - internal and external – Appended to Draft Commissioning Plan.</b>	<b>YES</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>YES</b>

<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<p><b>Appendix F – Eco-impact screening/ impact assessment of proposal:</b> A full Eco-Impact Assessment is not required for this report. The third party running the hostel will be responsible for some minor environmental impacts, but there will be no significant changes to the service (with the exception of a slight increase in travel impacts likely from the use of additional staff). The service has considerable non-environmental benefits. There is potential for the procurement process to take the existing impacts into account, as it may be possible to reduce the impacts in the following areas:</p> <ul style="list-style-type: none"> <li>• Heat, power and water used in the accommodation. The quality of the building envelope and the efficiency of heating and lighting equipment are likely to be most relevant.</li> <li>• Travel impacts, such as the need for staff travel, location and access to public transport</li> <li>• The provision and correct use of waste and recycling facilities.</li> </ul> <p>Giles Liddell 14 December 2020.</p>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>
<b>Appendix L – Procurement</b>	<b>NO</b>