

# MAYOR'S EXECUTIVE DECISION MAKING

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Friday, 22 March 2019

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Mayor's Decision Log No. 185


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1. **185 - ROUGH SLEEPING INITIATIVE 2019/20 (Pages 3 - 14)**

If you require any further information relating to this meeting, would like to request a large print, Braille or audio version of this document, or would like to discuss access arrangements or any other special requirements, please contact:

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<p align="center"><b>Individual Mayoral Decision Proforma</b></p> <p align="center">Decision Log No: 185</p>	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Ann Sutcliffe, Acting Corporate Director, Place	<b>Classification:</b> Unrestricted
<b>MHCLG Rapid Rehousing Pathway and Rough Sleeping Initiatives 2019/20</b>	

<b>Is this a Key Decision?</b>	No
<b>Decision Notice Publication Date:</b>	N/A
<b>General Exception or Urgency Notice published?</b>	N/A Exemption from call in notice published
<b>Restrictions:</b>	N/A
<b>Reason for seeking an Individual Mayoral Decision:</b>	The MHCLG is very late in announcing these funding awards resulting in less than 28 days to seek an agreement from Cabinet to vary service delivery contracts to continue and expand rough sleeping services

## 1. EXECUTIVE SUMMARY

- 1.1 The Mayor is being asked to approve three contract variations, two for the council's commissioned Enhanced Rough Sleeping Outreach Service and one for the council's commissioned Resource Centre for Rough Sleepers. These variations are the result of the council being successful in its bids to the MHCLG for new and continued funding for a range of innovative and effective rough sleeping services.
- 1.2 The MHCLG grants are ring fenced and delivery organisations are identified to ensure speedy mobilisation of new services and the continuation of services that commenced in 2018/19. Mayoral approval is being sought as the grant exceeds the level of authority available to corporate directors under the Council's scheme of delegation.
- 1.3 Specifically, the Mayor is being recommended to approve two contract variations to St Mungo's Enhanced Rough Sleeping Outreach (EROS) number DR5450.
  - The first variation is for £130,617 for two Rough Sleeping Navigator posts funded through the MHCLG Rapid Rehousing Pathway.

- The second variation is for £225,504 to continue running the services and roles funded through the MHCLG Rough Sleeping Initiative 2018/19. This funding is from the MHCLG Rough Sleeping Initiative 2019/20 grant. It is ring-fenced for agreed services and named organisations. We expect to shortly receive written confirmation of the grant award.
- 1.4 The Mayor is also being recommended to approve a contract variation for £142,509 to Providence Row's Resource Centre for Rough Sleepers number PL5242. Again, this is continued, ring fenced funding from the MHCLG under the Rough Sleeping Initiative 2019/20 to enable roles and services that are currently funded under the MHCLG Rough Sleeping Initiative 2018/19 to continue through to 31 March 2020. We expect to shortly receive written confirmation from MHCLG that we have been awarded this grant.
- 1.5 The reasons for these decisions are the MHCLG funding awards are ring-fenced and delivery organisations are identified and agreed by MHCLG. This is to enable the mobilisation of new services to occur quickly and those funded under the MHCLG Rough Sleeping 2018/19 to continue until 31 March 2020.
- 1.6 In the national Rough Sleeping Strategy 2018, the Government has set out its aim to end rough sleeping by 2027, halving it by 2022. In January 2019, the council launched our five year Homelessness and Rough Sleeping Strategy which echoes this commitment. Without these new funding Government streams it is very unlikely we can achieve this aim.
- 1.7 In addition, were these recommendations not to be approved, all new services which started under the MHCLG RSI 2018/19 would need to cease by 31 March 2019. This action would leave rough sleepers who entered into new accommodation options, without support and at risk of returning to the street. This includes: 5 rough sleepers in the council's new Housing First Pilot; those with complex needs currently in B&B and on Safe Seats; and those ear marked to enter the Crash Pan later this month
- 1.8 In addition, it is likely that the gains made in the reduction to the council's rough sleeping figures would be lost. It would also put at risk the council's reputation with MHCLG – opening ourselves to challenge as to the level of our commitment to end rough sleeping as well as putting future funding opportunities at risk. It would also put our NFNO partnership with the City of London at jeopardy and as a consequence severely limiting the council's homelessness prevention options for those at risk of rough sleeping.

## **2. RECOMMENDATIONS**

- 2.1 The Mayor is recommended to approve two contract variations to St Mungo's Enhanced Rough Sleeping Outreach (EROS) number DR5450.
- The first variation is for £130,617 for two Rough Sleeping Navigator posts funded through the MHCLG Rapid Rehousing Pathway.
  - The second variation is for £225,504 to continue running the services and roles funded through the MHCLG Rough Sleeping Initiative 2018/19. This funding is from the MHCLG Rough Sleeping Initiative 2019/20 grant. It is ring-fenced for agreed services and named organisations. We expect to shortly receive written confirmation of the grant award.
- 2.2 The Mayor is also being recommended to approve a contract variation for £142,509 to Providence Row's Resource Centre for Rough Sleepers number PL5242. Again, this is continued, ring fenced funding from the MHCLG under the Rough Sleeping Initiative 2019/20 to enable roles and services that are currently funded under the MHCLG Rough Sleeping Initiative 2018/19 to continue through to 31 March 2020. We expect to shortly receive written confirmation from MHCLG that we have been awarded this grant.
3. To note the specific equalities considerations as set out in Paragraph 4.1 of the attached report.


**1. (If applicable) Corporate Director proposing the decision or his/her deputy**

# AE Entziffer

Signed Debra K. Kohn Date 2/3/19

Signed AP/SE Date 22/3/19

Signed  Date 22/3/19

<b>Individual Mayoral Decision</b>	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Ann Sutcliffe, Acting Corporate Director, Place	<b>Classification:</b> Unrestricted
<b>MHCLG Rapid Rehousing Pathway and Rough Sleeping Initiatives 2019/20</b>	

<b>Lead Member</b>	<b>Councillor Islam, Cabinet Member for Housing</b>
<b>Originating Officer(s)</b>	Mark Baigent, Interim Divisional Director – Housing and Regeneration
<b>Wards affected</b>	All
<b>Key Decision?</b>	No
<b>Forward Plan Notice Published</b>	N/A
<b>Reason for Key Decision</b>	N/A
<b>Strategic Plan Priority / Outcome</b>	<b>Strong, resilient and safe communities</b>  <b>Better health and wellbeing</b>

### **Executive Summary**

The Mayor is being asked to approve three contract variations, two for the council's commissioned Enhanced Rough Sleeping Outreach Service and one for the council's commissioned Resource Centre for Rough Sleepers. These variations are the result of the council being successful in its bids to the MHCLG for new and continued funding for a range of innovative and effective rough sleeping services.

The MHCLG grants are ring fenced and delivery organisations are identified to ensure speedy mobilisation of new services and the continuation of services that commenced in 2018/19. Mayoral approval is being sought as the grant exceeds the level of authority available to corporate directors under the Council's scheme of delegation.

### **Recommendations:**

The Mayor is recommended to:

1. Approve two contract variations to St Mungo's Enhanced Rough Sleeping Outreach (EROS) number DR5450.

- 1.1 The first variation is for £130,617 for two Rough Sleeping Navigator posts funded through the **MHCLG Rapid Rehousing Pathway**.
  - 1.2 The second variation is for £225,504 to continue running the services and roles funded through the **MHCLG Rough Sleeping Initiative 2018/19**. This funding is from the **MHCLG Rough Sleeping Initiative 2019/20** grant. It is ring-fenced for agreed services and named organisations. We expect to shortly receive written confirmation of the grant award.
2. Approve a contract variation for £142,509 to Providence Row's Resource Centre for Rough Sleepers number PL5242. Again, this is continued, ring fenced funding from the MHCLG under the **Rough Sleeping Initiative 2019/20** to enable roles and services that are currently funded under the MHCLG Rough Sleeping Initiative 2018/19 to continue through to 31 March 2020. We expect to shortly receive written confirmation from MHCLG that we have been awarded this grant.
3. To note the specific equalities considerations as set out in Paragraph 4.1.

## **1. REASONS FOR THE DECISIONS**

- 1.1 The reasons for the decision are: the MHCLG funding awards are ring-fenced and delivery organisations are identified and agreed by MHCLG. This is to enable the mobilisation of new services to occur quickly and those funded under the MHCLG Rough Sleeping 2018/19 to continue until 31 March 2020.
- 1.2 In the national Rough Sleeping Strategy 2018, the Government has set out its aim to end rough sleeping by 2027, halving it by 2022. In January 2019, the council launched our five year Homelessness and Rough Sleeping Strategy which echoes this commitment. Without these new funding streams it is very unlikely we can achieve this aim.
- 1.3 Mayoral approval is required given the size of the funding allocation. The amounts involved are too large to be approved under the authority devolved to Corporate Directors under the Council's scheme of delegation.

## **2. ALTERNATIVE OPTIONS**

- 2.1 Were these recommendations not to be approved, all new services which started under the MHCLG RSI 2018/19 would need to cease by 31 March 2019. This action would leave rough sleepers who entered into new accommodation options, without support and at risk of returning to the street.



This includes: 5 rough sleepers in the council's new Housing First Pilot; those with complex needs currently in B&B and on Safe Seats; and those earmarked to enter the Crash Pad later this month. In addition, it is likely that the gains made in the reduction to the council's rough sleeping figures would be lost. It would also put at risk the council's reputation with MHCLG – opening ourselves to challenge as to the level of our commitment to end rough sleeping as well as putting future funding opportunities at risk. It would also put our NFNO partnership with the City of London at jeopardy and as a consequence severely limiting the council's homelessness prevention options for those at risk of rough sleeping.

### **3. DETAILS OF THE REPORT**

#### **3.1 Contracts and Records of Corporate Director's Action (RCDAs)**

3.1.1 St Mungo's is the council's commissioned provider of the rough sleeping outreach service whose team name is TH SORT and the contract is entitled Enhanced Rough Sleeping Service (EROS). Providence Row Charity is the council's commissioned provider of a day service for rough sleepers under the Contract name Resource Centre for Rough Sleepers.

3.1.2 Both the EROS and the Resource Centre for Rough Sleeper Contracts were procured through an open tender process. St Mungo's EROS contract started on 1 April 2017. It is a 3 year contract with a possible continuation of 2 years. Providence Row's Resource Service Contract commenced on 1 April 2018 and is a 3 year contract.

#### **3.2 MHCLG Commitment to End Rough Sleeping and Funding Streams**

3.2.1 Last year, the MHCLG made a commitment to halve rough sleeping by 2022 and end it by 2027. Since May 2018, they have asked local authorities with high rates of rough sleeping to bid for new funding. Quick service mobilisation was a key criterion to ensuring a successful bid.

3.2.2 In July 2018, the council's Housing Options service received notification that we were successful in our bid under the MHCLG's new **Rough Sleeping Initiative fund (RSI) 2018/19** and was awarded £297,331. This funding was agreed with the condition that the new posts and services would be up and running by September 2018. The funding was ring-fenced and allocated to named organisations.

3.2.3 The contract awards were approved under delegated authority via Records of Corporate Director's Action (RCDA):

- St Mungo's EROS Contract for £117,923 from 1 September 2018 to 31 March 2019
- Providence Row Resource Centre Contract for £106,807 from 1 September 2018 to 31 March 2019

Both RCDAs were approved and contract variations letters were signed off.

- 3.2.4 The council's Housing Options service also received funding to employ a Street Nurse and a Rough Sleeping Coordinator.

### 3.3 Reduction in Rough Sleeping Figures

- 3.3.1 The MHCLG are very focused on hard outcomes, i.e. reduction of number of rough sleepers, although they do include a range of KPI and outcome measures in their monthly monitoring forms.
- 3.3.2 The MHCLG has praised the council's ability to mobilise funding and commence services in a timely manner. Moreover, it has congratulated Tower Hamlets in our reduction of rough sleepers as noted in the annual street count figures. In November 2017, our street count was 21. Since the introduction of the MHCLG RSI funding, our figure fell to 10 at our November 2018 annual street count. The counts are externally verified, using the same methodology year on year and hence, accepted as accurate snapshot figures of our rough sleeping population on the street on one given night.
- 3.3.3 Based on this reduction, the demonstrable effort that has gone into mobilising the RSI funding and MHCLG's interest in the figure remaining low, they have indicated that we are in a strong position to receive continued RSI for 2019/20.

### 3.4 MHCLG Rapid Rehousing Funding 2018 – 2020

- 3.4.1 Working at pace in October 2018, the MHCLG announced further funding opportunities under their new Rapid Rehousing Pathway Initiative (RRP). The RRP contained four distinct funding streams all aimed to meet gaps in rough sleeping prevention and responses.
- 3.4.2 The City of London (lead authority) and Tower Hamlets submitted a joint bid under two streams:
- Continuation funding for our tri-borough No First Night Out (NFNO) rough sleeping prevention project via the Social Lettings Funding Stream (unsuccessful – didn't meet the eligibility criteria)
  - A Navigators service to support rough sleepers to exit the street. In this case we were successful and have been awarded £130,617.
- 3.4.3 The MHCLG have written a Memorandum of Understanding (MOU) for the council and the City of London Corporation to review and sign. The MOU sets out the conditions of the funding, including:
- The funding is a Section 31 Grant and therefore, needs to be spent in the financial years indicated in the MOU.
  - £3,414 needs to be spent in 2018/19 on recruitment by St Mungo's of 2 Navigator posts, thus, making Mayoral Approval of St Mungo's Contract Variation urgent.
  - 2 Navigators need to be in post by 1 April 2019

- Funding is ring fenced for a named delivery partner: St Mungo's who run both the City of London's outreach service and Tower Hamlet's rough sleeping outreach service.

3.4.4 We have discussed with the City of London who would accept the funding and have agreed that it will be Tower Hamlets. It has been noted and very much appreciated that the City of London has been the lead of the tri-borough NFNO project for the past 2 years, a project in which Tower Hamlets has gained the most benefits and housing outcomes. The amount of work the City of London has put into the NFNO project has been substantial including negotiating a number of contracts with Private Rented Sector providers which has been time consuming.

3.4.5 LB of Tower Hamlets' agreement to take a lead on the Navigators funding, in which the council and the City of London will have equal access to the recourse and outcomes, is a way of sharing the responsibility of joint projects with the City of London and indeed thanking them for this hard work and continued commitment towards Tower Hamlets and NFNO.

### **3.5 MHCLG PRS Access Fund**

3.5.1 The council's Private Sector Housing Policy team and Housing Options Services submitted two bids to the MHCLGs new PRS Access Fund in late 2018. We received written confirmation at the beginning of March 2019, that both bids were successful. One will enhance our Housing Options service while the other will provide continued funding for our cross-borough NFNO project. Bringing together the NFNO project underspend and the PRS Access Fund NFNO funding will enable the City of London to continue to employ project staff and allot resources through to 31 March 2020. LB of Tower Hamlets will continue to see the benefit from this combined funding making the argument for us to lead on the RRP Navigator funding even stronger.

### **3.6 MHCLG Rough Sleeping Initiative 2019/20**

3.6.1 Finally, the MHCLG have indicated that Tower Hamlets will receive funding from the MHCLG's Rough Sleeping Initiative in 2019/20. We expect this formal announcement before the end of March along with the expectation that funding will be distributed to partner agencies forthwith to enable them to continue to run RSI designed services and keep current workers on contract from 1 April 2019 to 31 March 2020. There is only one area of discussion as to whether the Street Nurse role continues or is converted into Case Coordinator role within St Mungo's. Recruitment for the Street Nurse post has been delayed and as a consequence seen outcomes low. It is thought that better outcomes may be achieved by repositioning this particular bit of funding. Once the MHCLG has decided, this will be written into the formal grant letter or in a subsequent addendum.

3.6.2 Given the timings are extremely tight we are requesting Mayoral Approval to accept and distribute this funding as specified by the MHCLG upon receipt of their written confirmation.

3.6.3 The total funding grant is expected to be £402,000.

#### **4. EQUALITIES IMPLICATIONS**

- 4.1 Rough Sleepers are some of the most marginalised members of our society. By agreeing the recommendations above, this diverse population of clients will have improved access to support and accommodation options. Tailored approaches can be created from a range of specialist services to meet the complex needs of this cohort. Demographic and support needs will continue to be monitored, compared against the pan-London rough sleeping data and reviewed to ensure that no one group is being inadvertently discriminated against.

#### **5. OTHER STATUTORY IMPLICATIONS**

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:
- Best Value Implications,
  - Consultations,
  - Environmental (including air quality),
  - Risk Management,
  - Crime Reduction,
  - Safeguarding.
- 5.2 Internal consultation has been conducted within the Housing Options Service and with homelessness stakeholders including the MHCLG. All have agreed the importance of these grant awards in being able to effectively support and accommodation vulnerable rough sleepers and those at risk of rough sleeping.
- 5.3 Supporting rough sleeping to exit the street and take up safe offers of accommodation reduces the risk of violence and harm associated with rough sleeping. The services provided through these grants will help to safeguard rough sleepers.
- 5.4 Moving rough sleepers into accommodation also helps reduce anti-social behaviour that often accompanies rough sleeping, therefore providing to support to all those who live and work in Tower Hamlets.

#### **6. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 6.1 This report seeks to approve variations to existing contracts held with two providers – St Mungo's Homelessness Charity and Providence Row – in order that services to support rough sleepers can continue to be provided.

6.2 The extensions follow the confirmed award of a Ministry of Housing, Communities and Local Government (MHCLG) grant under the Rapid Rehousing Pathway programme, and the anticipated funding for the Rough Sleeping Initiative for 2019/20 which is expected to be confirmed shortly. The grant conditions specify that named providers should supply the services which must be fully staffed and able to deliver in line with agreed milestones.

6.3 The specific allocations relating to these two providers are:

St Mungo's Enhanced Rough Sleeping Service (EROS)

	£
MHCLG Rapid Rehousing Pathway	130,617
MHCLG Rough Sleeping Initiative 2019/20	225,504

Providence Row – Resources Centre for Rough Sleepers

	£
MHCLG Rough Sleeping Initiative 2019/20	142,509

6.4 Both organisations have previously been commissioned by the Council to deliver its rough sleeping outreach contracts. These contracts were awarded following a competitive tendering process which should mean that the extended commissions will be let in line with market prices.

6.5 All costs of the contracts will be fully funded from the grants received from MHCLG. As outlined in paragraph 6.2, it should be noted that the final 2019/20 funding allocations to councils under the Rough Sleeping Initiative are still to be announced and therefore, although approval for the contract extension is sought within the report, binding commitments for this element of the contract should not be formally entered into until the grant financing has been confirmed.

## **7. COMMENTS OF LEGAL SERVICES**

7.1 The resulting contracts referred to in this report are public services contracts for the purposes of the Public Contracts Regulations 2015

7.2 However, the Council is required to spend the funds it is due to receive with particular organisations specified by the funder. Therefore, it is not possible for the Council to engage in any meaningful competitive exercise. Therefore, the Council is entitled to rely on the negotiated procedure without an advert in accordance with Regulation 32 as competition is absent for this technical reason.

7.3 Similar rules allowing for the absence of competition are mirrored in the Council's Procurement Procedures and the facts in this report show compliance with these rules .

- 7.4 However, the Council will have to abide by the Public Contracts Regulations 2015 in all other respects for example, placing an award notice.
- 7.5 Whilst there are clear equalities implications deriving from the resulting contracts themselves this report does not have any implications for the purposes of the Equality Act 2010
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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- NONE.

### **Appendices**

- NONE.

### **Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012**

- NONE.

### **Officer contact details for documents:**

N/A