

READING BOROUGH COUNCIL

REPORT BY EXECUTIVE DIRECTOR OF ECONOMIC GROWTH AND NEIGHBOURHOODS

TO:	POLICY COMMITTEE		
DATE:	21 SEPTEMBER 2022		
TITLE:	CONTRACTS FOR GRANT FUNDED “MOVE-ON HOMES” WITH 24/7 INTENSIVE SUPPORT FOR THOSE ROUGH SLEEPING / AT RISK OF ROUGH SLEEPING		
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**1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1 This report seeks authority to procure, award contracts and authorisation to enter into new contract arrangements for The Nova Project and 57 Caversham Road (the Pods) from 1<sup>st</sup> April 2023 to relieve and prevent rough sleeping in Reading. Contracts will be funded utilising Rough Sleeping Accommodation Programme (RSAP) grant funding from the Department for Levelling Up, Communities and Housing (DLUHC).
- 1.2 Equality Impact Assessment - attached as Appendix A.
- 1.3 The value of grant funding for the provision of “Move-on-Homes” contains exempt information under paragraph 3 of Part 1 of Schedule 12A (as amended) of the Local Government Act 1972 (as amended). This information has been provided separately to members of the Committee for their information.

**2. RECOMMENDED ACTION**

- 2.1 That Policy Committee notes the DLUHC award of funding from the Rough Sleeping Accommodation Programme (RSAP) 2021-24 to deliver 50 units of “Move-on Homes” in 2023/24 comprising 10 units at The Nova Project and 40 units at 57 Caversham Road.
- 2.2 That the Assistant Director of Housing and Communities, in consultation with the Lead Councillor for Housing, Director of Finance and Director of Procurement and Commissioning be authorised to (i) undertake the necessary procurement exercise to adhere to RSAP 2021-24 grant funding conditions and (ii) enter into a contract with the successful tenderer in respect of services to deliver “Move-on Homes”, referred to in 2.1 above, for 12 months from 1 April 2023.

**3. POLICY CONTEXT**

- 3.1 In 2018, the Government published their national Rough Sleeping Strategy and Action Plan aiming to halve rough sleeping by 2022 and eliminate it by 2027. In 2019, Reading’s Rough Sleeping Strategy 2019 - 2024 was published to support this aim with key priorities being (1) Early intervention and prevention; (2) Recovery and community

intervention; (3) Rapid intervention; (4) United support and enforcement action in Reading and (5) Provision of information and alternative ways for the public to give/support to those on the streets.

- 3.2 In October 2020, DLUHC announced allocations to local authorities and partners from £150m of Government funding to deliver Round 1 of RSAP. This was to deliver more than 3,300 new “Move-on Homes”<sup>1</sup> for people sleeping rough.
- 3.3 RSAP’s objective is to provide “Move-on homes” as long-term assets with accompanying support to prepare people who are rough sleeping, who have a history of rough sleeping, or who are at risk of rough sleeping, for independent living. The fund is part of a range of measures to support councils to achieve a sustainable reduction in rough sleeping.

## 4. THE PROPOSAL

### 4.1 Current Position:

- 4.1.1 Under DLUHC’s RSAP Round 1 Reading was awarded three years revenue funding to deliver 50 units of “Move-on Homes” between 2021 and 2024. These units provide an off the streets offer to those rough sleeping, or those who are at risk of rough sleeping having previously and repeatedly been verified. The units have a specific focus upon supporting with mental ill-health, substance misuse and preventing re-offending and returns to the streets.
- 4.1.2 Support to ten “Move-on Homes” has been delivered under contract with St Mungo’s since 21 December 2020 to females with complex needs requiring a 24/7 supportive environment at The Nova Project. A waiver to CPR rules was signed off by the Assistant Director of Procurement and Contracts and Executive Director of Environment, Growth and Neighbourhoods (DEGNS) on 23 November 2020 to award a contract for 15 months to St Mungo’s from 21 December 2020 until 31 March 2022 under Covid exceptions. Since officers had insufficient time to undertake a procurement without risk to service delivery, a further Officer Decision was agreed by the Executive Director of DEGNS to award contracts to St Mungo’s from 1 April 2022 until 31 March 2023.
- 4.1.3 40 units of “Move-on Homes” at 57 Caversham Road were due to be completed and ready for occupation in March 2021. Site completion was delayed until November 2021, with all clients having moved into their self-contained studio ‘pod’ with 24/7 on-site staffing presence by January 2022. Support to clients assessed and earmarked to move into one of the units has been delivered under contract with St Mungo’s since 5 July 2022 to males, females and couples with complex needs. The contract began, prior to site completion, in July 2022 to (a) engage with the client group and prepare them for moving in and (b) comply with grant conditions and spend in the financial year 2021/22 to avoid any clawback from DLUHC due to underspend. A waiver to CPR rules was signed off by the Assistant Director of Procurement and Contracts and Executive Director of DEGNS on 23 November 2020 to award a contract for 12 months to St Mungo’s from 5 July 2021 until 4 July 2022 under Covid exceptions. Since officers had insufficient time to undertake a procurement without risk to service delivery, a further Officer Decision was agreed by the Executive Director of DEGNS to award contracts to St Mungo’s from 5 July 2022 until 31 March 2023.
- 4.1.4 Officer Decisions were agreed for direct contract award until 31 March 2023 to St Mungo’s for The Nova Project and 57 Caversham Road to (a) ensure best value by procuring all 50 “Move-on Homes” under one support contract from financial year 2023/24 and (b) to enable RBC officers the time and capacity to undertake a full open procurement exercise for RSAP 2021-24 contract award. Between February and August 2022, funding application/procurement of Rough Sleeping Initiative (RSI) 2022-25

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<sup>1</sup> Defined under RSAP as accommodation and support made available to occupants on the basis that they will be a pathway to settled accommodation.

services and preparation for contract evaluation, award and implementation by December 2022 took officer precedence. Each full open procurement and implementation process takes a minimum of six months.

- 4.1.5 Current grant conditions do not allow for spend or contract extension beyond March 2024. There may be opportunity for RBC to bid for further funding from DLUHC for this purpose, but that cannot be confirmed. Clients can be accommodated for up to 2-3 years before moving on. Both projects are specifically commissioned to enable a longer period of support with mental ill-health, substance misuse and re-offending than traditional supported accommodation models. Rough Sleeping Initiative (RSI) grant funded services will be newly contracted from December 2022 for 30 months. This will provide additional units of settled accommodation under Housing First expansion and a bespoke Couples Pathway, with capacity for up to 37 clients within this target group.
- 4.1.6 Multi-agency work to progress move-on from these units is ongoing. The NHS and Public Health, who commission a Health Outreach Liaison Team (HOLT) and Multiple Disadvantage Outreach Team (MDOT) respectively, provide outreach and in-reach specifically to those residing at The Nova Project and 57 Caversham Road. These specialist services provide wrap-around health and substance misuse support, aiming to transition clients into core/mainstream support services and independent living.

## **4.2 Options Proposed**

- 4.2.1 It is proposed that, RBC undertake an open tender exercise and award a 12-month contract from 1 April 2023. There is no option to include a contract extension at this stage. The grant conditions under which RSAP were bid for, and awarded, are for grant to be spent by March 2024. The contract will provide a 24/7 staffed environment of accommodation with support to people who are rough sleeping, or at risk of rough sleeping, within 50 units of "Move-on Homes" across The Nova Project and 57 Caversham Road.

## **4.3 Other Options Considered**

- 4.3.1 Not utilise DLUHC funds awarded under RSAP 2021-24, which would result in an increase in rough sleeping numbers from April 2023, with vulnerable individuals living on the streets without support or accommodation.
- 4.3.2 Delivery of services in-house; however, RBC do not have the capacity or expertise to deliver these specialist services and recognises that external agencies do, with RBC adopting a partnership approach to homelessness for some time.

## **5. CONTRIBUTION TO STRATEGIC AIMS**

- 5.1 The report's recommendations contribute to the Council's Corporate Plan theme of Thriving Communities by:
- Tackling inequality in our society, to ensure everyone has an equal chance to thrive whatever their economic, social, cultural, ethnic or religious background
  - Building relationships and strengthening the capacity and resilience of the voluntary and community sector
  - Prioritising the needs of the most marginalised groups and the most vulnerable adults in our communities
  - Tackling the effects of the pandemic, such as increased unemployment, long term health problems, mental health issues and social isolation where rough sleeping/risk of rough sleeping is the ultimate symptom of these effects
- 5.2 These recommendations also contribute to TEAM Reading values by supporting the Council's ambition to considerably reduce rough sleeping to as close to zero as possible by 2027 and making a positive difference to the lives of people with complex multiple needs including drug/alcohol misuse, offending histories and mental ill-health.

## **6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS**

- 6.1 There are no environmental or climate implications arising from the report's recommended decision and therefore no mitigations are required e.g., service user resilience to future climate change will not be impacted and there are no identified implications for the environment and biodiversity.

## **7. COMMUNITY ENGAGEMENT AND INFORMATION**

- 7.1 The funding application to RSAP 2021-24 was co-produced with DLUHC, as informed by significant on the street intelligence and ongoing needs analysis of those sleeping rough/at risk of sleeping rough. The Nova Project and 57 Caversham Road have been, and will be, specified having learnt from best practice and knowledge of 'what works' in Reading and other boroughs for this cohort.
- 7.2 In February 2022 RBC undertook a self-assessment to assess strengths and gaps, specific cohort needs and how Reading plans to shape services and outcomes for rough sleeping groups over the next three years.
- 7.3 To inform this self-assessment and support compilation of priorities, Homeless Link provided an independently facilitated workshop with commissioned, statutory services including Public Health, VCS and faith sector partners. All of Reading's Homelessness Partnership (HoP) partners were invited to give their views. This was followed up by an on-line survey which asked sector partners to prioritise the themes they had identified in the workshop. Findings confirmed that specialist, 24/7 staffed projects for women, complex couples and those experiencing mental ill-health are a priority for Reading.

## **8. EQUALITY IMPACT ASSESSMENT**

- 8.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 8.2 An Equality Impact Assessment (EIA) has been undertaken for this decision and is attached as *Appendix A*. It concludes that a negative impact is identified regarding The Nova Project being a cis or transgender female specific project. This means that anyone who is not, cannot access the project. However, there is a justifiable reason; there can be disproportionate risks towards females who rough sleep/are at risk of rough sleeping as identified within independent sector research. This shows that a safe female-only space is key to recovery and moving away from addiction/lifestyles on the streets where mixed gender supported environments can present additional risk of continued unhealthy/co-dependent relationships, risk of domestic abuse and/or forced sex-working. 57 Caversham Road provides the same 24/7 supported environment and support offer for couples (including same sex couples), males and females with complex needs who do not meet the criteria of The Nova Project. This ensures equality of support offer. Both The Nova Project and 57 Caversham Road are for single people/couples without dependent children and are for those aged 18 or over only. This is justifiable given the complex and multiple needs of those accommodated, including offending histories and substance misuse creating an unsuitable environment for families and children. Other young person's projects with 24/7 support, including parent and baby units, are commissioned to meet the needs of those aged under 18 and aged 18 - 24 (e.g., the YMCA Reading) and these provide a specialist environment for

this age group and 16/17-year-olds owed a statutory responsibility by the local authority.

## 9. LEGAL IMPLICATIONS

- 9.1 The Council will need to enter into the DLUHC's grant agreement and comply with the conditions for the grant.
- 9.2 Service providers delivering the Rough Sleeping Accommodation Programme (RSAP) will need to be procured in accordance with the Council's tendering processes and Standing Orders and contracts entered into with the successful tenderer.

## 10. FINANCIAL IMPLICATIONS

- 10.1 The total value of grant funding for 2023/24 will be set out in a confidential appendix to this report.
- 10.2 Grant funding to cover the contract is awarded under s.31 of the Local Government Act 2003 meaning that spend will be restricted to the activities laid out in the bid application. There are no other direct financial implications, the grant received would be ringfenced to meet the contract costs. Should there be delays in contract implementation or underspend that requires grant carry-over into the next financial year, written permission would be requested by RBC from DLUHC. If this permission was not granted, and their decision was not to allow the repurposing or carry-over of funds that resulted in a surplus, clawback provisions may be enacted by DLUHC.
- 10.3 **Value for Money (VFM):** Efficiencies will be maximised by procuring support to 50 "Move-on Homes" under one contract and with one support provider, rather than deliver The Nova Project and 57 Caversham Road as two separate contracts. Two separate contracts would require additional line management costs/risk of there being no interested parties due to the smaller contract value of The Nova Project for 12 months only. Staff costings for both grant applications have been benchmarked against existing provision and known market salaries, provider on-costs, overheads and inflationary salary increases to ensure VFM as well as competitive tender interest.
- 10.4 **Risk Assessment:** No key financial risks have been identified with this proposal.

## 11. BACKGROUND PAPERS

- 11.1 None