

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**EXECUTIVE MANAGEMENT TEAM'S
REPORT TO CABINET**

16 October 2019

Report Title: Rough Sleeper's Outreach Service
Submitted by: Head of Housing, Assets and Regeneration
Portfolios: Community Safety and Wellbeing
Ward(s) affected: All

Purpose of the Report

To request for Cabinet to support the re-provision and recommissioning of a joint Rough Sleeper's Outreach Service with Stoke on Trent City Council from April 2020.

Recommendation

- 1) That Cabinet agree to support the joint commissioning of a future rough sleeping outreach service with Stoke on Trent City Council that combines both Councils' resources and develop a service which meets the needs of both authority areas whilst maximising efficiencies.
- 2) To set the Council's annual budget contribution to the service at £20,000, enabling potential service providers to tender for an appropriate service.
- 3) That the Executive Director (Resources and Support Services) in consultation with the Portfolio Holder for Community Safety and Wellbeing is authorised in partnership with Stoke City Council's procurement function to finalise the specification/service outline, undertake the tendering process, complete any post tender negotiations (if required) and award the contract to the successful contractor.

Reasons

The provision of a Rough Sleeper's Outreach Service has been the main force behind keeping the numbers of rough sleepers on the streets of Newcastle at low levels and offering support and assistance to those who find themselves rough sleeping.

1. **Background**

- 1.1 For over 12 years, the Council has commissioned services that reach out to those sleeping rough.
- 1.2 Newcastle under Lyme Borough Council and Stoke on Trent City Council, jointly commission a rough sleeper's outreach service which operates across both local authority areas. The current contract is provided by Brighter Futures, a local housing and support organisation nationally recognised as a Rough Sleeper champion and with a wealth of experience providing street outreach services.
- 1.3 Newcastle-under-Lyme Council currently contributes £14,765 pa to the costs of the service and benefits considerably due to the 'economies of scale' that this arrangement provides.
- 1.4 Tackling rough sleeping and homelessness prevention are key objectives for Newcastle, recognising that people living on the streets are some of the most disadvantaged people in society. In 2018 the Government released its National Rough Sleeping Strategy. The Government's commitment is to halve rough sleeping by 2022 and end it by 2027. To this end all local

authorities are required to review their homelessness strategies and make the necessary amendments to align future work on rough sleeping with the national strategy.

- 1.5 The exact costs of rough sleeping are difficult to accurately determine as individual needs and service use will vary. The House of Commons Briefing Paper: Rough Sleepers Access to Services and Support (England) (Number 07698, 9 March 2018) highlights that cost estimates for the entrenched rough sleepers range from £16,000 a year, to £21,180 a year for the average client facing substance misuse, offending and homelessness problems. This is compared to average UK public expenditure of £4,600 per adult. Research commissioned by Crisis estimates that in the case of a man in his 30s who becomes a rough sleeper, the cost of resolving homelessness quickly is £1,426, which rises to £20,128 if homelessness persists for 12 months.
- 1.6 Without an outreach service the Council would not only struggle to provide the specialist support required for this client group but also to meet the objectives within the national strategy.
- 1.7 In 2019 the Council was awarded Government funding to recruit a rough sleeper’s coordinator for a period of 18 months, starting from September 2019. This role will essentially have the strategic overview of rough sleeping at the Council, working with all who have an interest in rough sleeping, including council staff, members and local partners to develop working relationships and initiatives, promote services and reach out to all areas of our communities. The coordinator will also be responsible for ensuring rough sleeping issues are understood more widely and working with all areas to collectively deliver a joined up approach that meets the rough sleeping aims within the Council’s Homelessness Strategy. This role will also be the future lead on any rough sleeping funding opportunities, services and also work with MHCLG to share best practice and provide monitoring.

2. **Issues**

- 2.1 The current service is in its final year of its contract and is due to end in March 2020.
- 2.2 The current contract has been in place since 2015 and the cost of the service during the 2019 / 2020 financial year is £14,765. This amount has remained the same for the past 8 years. However the landscape for rough sleeping has changed significantly during that time. Nationally rough sleeping has increased and as noted at 1.4 the Government is now committed to ending rough sleeping by 2027.
- 2.3 The numbers of those sleeping rough each night in the Borough have remained relatively low and in July 2019 a night count recorded only 4 individuals sleeping rough. However, data from the outreach service shows that since 2017, the date from which data has been recorded in its current format, the number of verified rough sleepers has increased each year. The prevalence and visibility of rough sleepers and those who may not necessarily be true rough sleepers but begging has also led to an increase in referrals into the service.

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Total verified rough sleepers	22 (total cases)	18 (total cases)	34	53	26 (up to Sept 19)
Total new referrals	n/a	n/a	25	29	7 (up to Sept 19)

Referrals and verified rough sleepers NULB – source RS outreach data

- 2.4 Stoke on Trent City Council has approached the Council to enquire whether we wish to work in partnership again and commission a future Rough Sleeper’s Outreach service together.

2.5 It is proposed that the procurement process will commence immediately, following the outcome of this report in October 2019. This will enable the new service to commence on the 1st April 2020. The new service contract duration will be three years plus a year on year extension opportunity for a further two years, with Stoke on Trent City Council being the lead authority.

2.7 Stoke on Trent City Council has also enquired as to the future amount of funding we would contribute should we wish to work together again.

3. **Proposal**

3.1 To embark on a joint commissioning process with Stoke on Trent City Council to combine both Council's resources and develop a service which meets the needs of both authority areas whilst maximising efficiencies.

3.2 To set the Council's annual budget contribution to the service at £20,000, recognising the increased demands locally and enabling potential service providers to tender for an appropriate service.

3.3 That the Executive Director (Resources and Support Services) in consultation with the Portfolio Holder for Community Safety and Wellbeing is authorised in partnership with Stoke City Council's procurement team to finalise the specification/service outline, undertake the tendering process, complete any post tender negotiations (if required) and award the contract to the successful contractor.

4. **Reasons for Proposed Solution**

4.1 The Council's approach has been informed by the following:

- The provision of a Rough Sleeper's Outreach Service is an essential service to support the Council's strategic objectives to meet and support the needs of rough sleepers in its area.
- The two authorities have previously joint commissioned two rough sleeper outreach service contracts with great success. By working together the two areas have been able to develop expertise and service provision, gather and share intelligence and work with a wide range of service providers across the north Staffordshire region. Also, both local authorities have been successful in the receipt of government funding for various rough sleeping initiatives.
- Via the service both authorities are able to deliver an assertive outreach service, provide the severe weather emergency provision, conduct counts and estimates and report back to Government with accurate data on the rough sleeping situation in both areas.
- It has always been clear that due to economies of scale the delivery of the shared service has enabled the Newcastle contract costs to remain low. It would be questionable as to whether a provider would be able to offer to same level of service for a similar amount in Newcastle if there was not the shared contract in operation. As outlined in the background of this report it is more cost effective to help rough sleepers at the earliest intervention as possible. The recommended budget will enable tenders to offer a service that meets the Borough's needs to assisting rough sleepers off the streets.
- The loss of the service would have a detrimental impact upon the borough in many ways. Firstly if there was not a Rough Sleeper's Outreach Service operating in the borough, the prevalence of rough sleeping may increase and incidents of rough sleeping may become more visible throughout the borough and more difficult to tackle.
- The majority of the hostel accommodation accessed via the Rough Sleeper's Team is based in Stoke as Newcastle does not have its own hostels. Without the shared service there could be a disadvantageous effect on the access to some of the specialist services within the City.

- Addressing the causative factors behind rough sleeping and assisting individuals who are sleeping rough to reach their full potential requires a specialised and focused approach. Without the specialist service it would be inevitable that further demands would be placed upon the Council's main homelessness service (Newcastle housing Advice) which is not set up to deal with the intensive needs of addressing rough sleeping.
- Discussions will be ongoing between the Council's Procurement Officer to ensure that the commissioning process undertaken by Stoke on Trent City Council is as open and transparent as the Borough's own process.

5. **Options Considered**

- 5.1 For the Council to continue to fund this service and agree to embark on a joint commissioning process with Stoke on Trent City Council.
- 5.2 For Council to commission this service alone via the borough's partnership commissioning process.
- 5.3 For Council not to commission a future Rough Sleeper's Outreach Service in Newcastle.

6. **Legal and Statutory Implications**

- 6.1 Homelessness Act 2002
The Act includes the requirement for Local Authorities to formulate reviews and strategies in order to tackle and prevent homelessness.
- 6.2 Homelessness Reduction Act 2017
The Act places more emphasis on the prevention and relief of homelessness at an earlier stage.
- 6.2 Housing Act 1996
The Act includes the duty of the Local Authority to provide advisory services and assistance to voluntary organisations in respect of homelessness.
- 6.3 Local Government Act 2000
The Act gives Local Authorities the power to do anything likely to promote the economic, social and environmental wellbeing of the area.

7. **Equality Impact Assessment**

- 7.1 The procurement tender process has regard to equalities, including the evaluation of equalities and diversity policies concerning employment practice and service delivery and workforce diversity monitoring.

8. **Financial and Resource Implications**

- 8.1 The current service has cost £14,765 to deliver in 2019-20, this amount per annum has remained the same for the past 8 years. However the landscape for rough sleeping has changed, the service has faced increasing demands especially over the past three years.
- 8.2 By entering into a joint commissioning process with Stoke City Council there would need to be a similar amount to be committed by the Borough Council for the next three + two years subject to the inclusions in the contract to opt out if funding not available and non-performance.
- 8.3 For the purposes of joint commissioning this service in the future an indicative budget of £20,000 pa is recommended.

9. **Major Risks**

9.1 By not commissioning a Rough Sleeper's Outreach Service could impact on the delivery and costs of other services in the borough and could result in the Council having to spend more money in addressing the future issues of rough sleeping in Newcastle, especially during the winter period.

10. **Sustainability and Climate Change Implications**

10.1 There are no direct impacts arising from this report.

11. **Key Decision Information**

11.1 This is a key decision as the total contract value exceeds £50,000.

12. **Earlier Cabinet/Committee Resolutions**

12.1 None

13. **List of Appendices**

13.1 None

14. **Background Papers**

14.1 None