

Commissioning and Procurement Executive Committee – 10 May 2022

Subject:	Rough Sleeping Initiative 2022-25		
Corporate Director/ Director:	Sajeeda Rose – Corporate Director of Growth and City Development Paul Seddon – Director of Planning and Regeneration		
Portfolio Holder:	Councillor Linda Woodings – Planning, Housing and Heritage		
Report author and contact details:	Rachael Harding – Homelessness Strategy Manager rachael.harding@nottinghamcity.gov.uk		
Other colleagues who have provided input:			
Key Decision	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Subject to call-in
			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons:	<input checked="" type="checkbox"/> Expenditure	<input checked="" type="checkbox"/> Income	<input type="checkbox"/> Savings of £750,000 or more
taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
Total value of the decision: £6,323,241			
Wards affected: All			
Date of consultation with Portfolio Holder: 25/02/2022			
Relevant Council Plan Key Outcome:			
Clean and Connected Communities	<input type="checkbox"/>		
Keeping Nottingham Working	<input type="checkbox"/>		
Carbon Neutral by 2028	<input type="checkbox"/>		
Safer Nottingham	<input type="checkbox"/>		
Child-Friendly Nottingham	<input type="checkbox"/>		
Healthy and Inclusive	<input type="checkbox"/>		
Keeping Nottingham Moving	<input type="checkbox"/>		
Improve the City Centre	<input type="checkbox"/>		
Better Housing	<input checked="" type="checkbox"/>		
Financial Stability	<input type="checkbox"/>		
Serving People Well	<input type="checkbox"/>		
Summary of issues (including benefits to citizens/service users):			
This report seeks approval to accept and use revenue funding awarded to Nottingham City Council in anticipation of a successful bid for grant from Department of Levelling Up, Housing and Communities under the Rough Sleeping Initiative. The approval of the recommendations within this report will allow for the delivery of a system of services to prevent and respond to rough sleeping in Nottingham.			
Exempt information: None.			
Recommendations:			
1 To approve, upon award, acceptance of a £6,323,241 revenue grant from the Department of Levelling Up, Housing and Communities Rough Sleeping Initiative and approve spend of the funding in accordance with the Programme of Spend outlined in appendix A.			
2 To approve the variations / award of contracts as detailed in appendix A.			
3 To approve extension of the fixed term posts at points 1.a, 4.a.i, 4.a.ii, and 8.a of appendix B.			
4 To approve creation and recruitment to the fixed term posts at points 1.b, 3.c, 4.a.iii, 4.d and 8.b of appendix B.			

- 5 To delegate authority to the Corporate Director of Growth and City Development to adjust the remit or reinvest any grant underspend on services for rough sleepers in agreement with the Department of Levelling Up, Housing and Communities as demand requires, within the financial envelope of the grant, and subject to compliance with the Council's Constitution and Contract Procedure Rules.

1. **Reasons for recommendations**

- 1.1 Approval to accept and utilise the grant funding to deliver the specified programme of measures will enable the continuation of a system of services that have been successful in supporting a reduction in rough sleeping in Nottingham. The programme for 2022-25 is intended to achieve a further decrease in street homelessness in the city through prioritising prevention and resettlement alongside responding to presenting need.
- 1.2 At the monthly snapshot count of rough sleepers in March there were 11 individuals identified (though 2 had accommodation available that they were choosing not to use). This is a considerable decrease from the 45 individuals identified at the corresponding March street count in 2018, before the RSI initiative had embedded. However, although there are fewer people street homeless there were also 34 people accommodated in RSI bedspaces and a further 29 people in emergency winter provision. Meaning that without the interventions, the number of rough sleepers would actually be higher. This is further demonstrated by intelligence from the Framework Street Outreach Service which calculates an increase of 83% in the number of new individuals identified as rough sleepers in Nottingham in the first quarter of 2022 (185 people) compared to 101 in the first quarter of 2021.
- 1.3 Approval for exemption to extend existing contracts through direct award, has been secured in accordance with Article 18.79 of the Contract Procedure Rules, to enable the uninterrupted delivery of services into year one of the three-year funding programme, pending the establishment of a procurement framework by year two.

2. **Background (including outcomes of consultation)**

- 2.1 In August 2018, government published the national Rough Sleeping Strategy which outlined how they intend to support local authorities to end rough sleeping by 2027. The strategy was backed by a range of funding including the Rough Sleeping Initiative (RSI) grant, administered, awarded and monitored by the Department for Levelling Up, Housing and Communities (DLUHC).
- 2.2 This grant has been released annually since 2018/19. Nottingham City Council has maximised each opportunity to bring funding into the city and submitted a successful bid each year, securing £420k in 2018-19, £460k in 2019/20, £1.54m in 2020/21 and £2.23m in 2021/22.
- 2.3 In November 2021, DLUHC announced that the next funding round would be a three-year settlement spanning 2022 to 2025. The application forms were published in January 2022 with a bid deadline of 25 February 2022. Award confirmation is expected in April/May 2022. The timeframe set by DLUHC has required them to confirm a minimum level of funding for the

first quarter of 2022/23 to minimise gaps in provision and loss of skilled staff.

- 2.4 The RSI, alongside subsequent related funding streams (such as the Rough Sleeping Accommodation Programme, Accommodation for Ex-Offenders and Respite Rooms) has enabled the introduction of a local strategic system of specific rough sleeping services which focus on core principles of prevention, identification, engagement, assessment, support, shelter and resettlement.
- 2.5 The 2022-25 proposal has been designed by Nottingham City Council officers alongside partners in the community and wider public sector with consultation through the Homelessness Prevention Strategy Implementation Group, the Homelessness Stakeholder Forum and the Rough Sleeping Initiative Delivery Group.
- 2.6 The local programme seeks to consolidate distinct services into overarching teams and achieve a shift over the course of the three-year programme to prioritisation of prevention and rapid (but appropriate) resettlement. The aim is that the system of services can continue to effectively respond to current need but also address the issue of increasing new flow by preventing people from reaching street homelessness. This is anticipated to support the Strategic Council Plan commitment to work towards no rough sleeping in the city. Appendix C – Rough Sleeping System of Services summarises the model of local provision.
- 2.7 From 01 April 2023 the services funded by the RSI will be subject to a Procurement Framework for Rough Sleeping Services. Approval to develop and implement the Procurement Framework was agreed at Nottingham City Council Commissioning and Procurement Sub-Committee on 10th November 2020 who also authorised the subsequent award of contracts via the Procurement Framework.

3. Other options considered in making recommendations

- 3.1 Not to accept the RSI funding (upon announcement). This option is not recommended because the need for services for rough sleepers in Nottingham remains acute and there is no other available funding source to enable and ensure delivery.
- 3.2 To accept the RSI funding, but not spend it according to the programme outlined at Appendix A. This option is not recommended because a condition of the grant is that it is ring-fenced for spend according to the predetermined programme of services.
- 3.3 To procure activity for delivery from April 2022 through a competitive tender. This option is not recommended on the basis that the grant requirements include uninterrupted delivery of services which is not possible within the timescales set by DLUHC if a procurement process was followed. However, from 01 April 2023 onwards contracts for services funded by the RSI will be awarded via a Procurement Framework compliant with Contract Procedural Rules that will be established over the course of 2022-23.

4. Consideration of Risk

- 4.1 Not accepting or utilising funds awarded under the Rough Sleeping Initiative carries the associated risks of failing to intervene to prevent significant harm and risk of death amongst people at risk. In addition, not using funding may fail to help manage demand for statutory homelessness duties.
- 4.2 Not mobilising the delivery (or delayed delivery) carries an associated risk of the loss of funding from DLUHC. This risk is to be managed through the proposed approach to the procurement of services and through clear requirements within contract terms.
5. **Finance colleague comments (including implications and value for money/VAT)**
 - 5.1 This decision seeks the approval to accept the revenue grant funding from the Department of Levelling Up, Housing and Communities (DLUHC) for the Rough Sleepers Initiative of up to £6,323,241. The total grant is £6,595,095 but a decision with a value of £271,816 is going through a separate approval.
 - 5.2 In the past, this has been awarded annually but for the first time, DLUHC have requested bids for a 3-year period covering 2022-2025 – these were submitted in February 2022.
 - 5.3 The funding is strictly ring fenced to be spent on Rough sleeping initiatives and in accordance with the appendix of spend attached to this decision. However, the decision does also seek to delegate authority to the Corporate Director of Growth and City Development to adjust the remit of spend or re-invest any underspend on services for Rough Sleepers as demand arises, but this must be in agreement with DLUHC and remain within the funding envelope.
 - 5.4 The grant is subject to conditions and adherence to these will be monitored by relevant colleagues in Housing Strategy. All income and expenditure relating to the grant will be managed in a separate cost centre which will ensure clarity and transparency and will support sound monitoring and reporting. The spend and forecasting will be monitored regularly as part of the usual NCC forecasting process.
 - 5.5 The bid amount yet to be confirmed, will also include an amount of under spend from 21/22 which is also to be finalised. Any underspend from 21/22 will be rolled over through the proper accounting procedures into 22/23. The funding decision from DLUHC will be made in April/May.
 - 5.6 Due to the delay in the decision, DLUHC have agreed to an interim minimum payment for quarter 1 to ensure that services already in place can continue without interruption and there is no impact to the MTFP.
 - 5.7 A request has been made for exemptions from the contractual procedural requirements of the Contract Procedure Rules in accordance with Article 18.79. This has been agreed and signed by the S151 officer. This is for the first year with an agreement to establish a procurement framework by year 2.
 - 5.8 The attached appendix A sets out the detail plan of expenditure and once agreed and confirmed by DLUHC will form the basis of the budget each year.

- 5.9 There is no base budget for Rough Sleeping – this provision is provided entirely through grant. The budgets will be amended to reflect any changes in spend to enable good monitoring and forecasting.

Michelle Pullen – Senior Commercial Business Partner - 25/04/2022

6. **Legal colleague comments**

- 6.1 The proposal in this report relate to the receipt and expenditure of grant funding from Department of Levelling Up, Housing and Communities (DLUHC) under the Rough Sleeping Initiative for 2022-2025.
- 6.2 The money must be used in accordance with funding terms and conditions and associated guidance issued to the Council by DLUHC upon receipt.
- 6.3 The report proposes to extend contracts and make direct awards for the period 2022-23 as detailed in Appendix A, after such time it is the intention to undertake a tender process for a new contract from April 2023 onwards. Due to the short timescales to deliver the projects following confirmation of funding, it is not deemed possible to tender at this time whilst ensuring uninterrupted continuity of services prior to a new contract being procured.
- 6.4 For the reasons given with the report the proposals are supported. It is understood that where applicable exemptions from the Contract Procedure rules under Article 18.79 of the Constitution have been sought and approved, and the award or extension of contracts are otherwise permitted in accordance with Article 18.99.
- 6.5 Legal services will support as required in preparation of any appropriate variation arrangements and will support in the future establishment of a framework agreement, the procurement of which is intended to be undertaken in spring 2022.
- 6.6 Any use of the funding to external third parties must be in accordance with the Council's Contract Procedure Rules and the Public Contract Regulations 2015 to ensure compliance and best value.

Dionne Screamon, Senior Solicitor, Contracts and Commercial, 20 April 2022

7. **Other relevant comments**

Procurement comments

- 7.1 The proposals in this report relate to the receipt and expenditure of grant funding from Department of Levelling Up, Housing and Communities under the Rough Sleeping Initiative for 2022-2025.
- 7.2 In relation to the proposals for the allocations of funding and awards of contracts for 2022-23, the Procurement team has been consulted on the procurement options, and wherever possible a route compliant with the procedural requirements of the Council's Contract Procedure Rules is being followed. In those cases where an extension to an existing contract, or direct award of contract is proposed, it is accepted that it is not possible to undertake an open market process and mobilise new services due to the short timescales from the funding announcement and need for continuity of service provision. In some cases, these are deemed permissible contract extensions in accordance with Article 18.99 of the Constitution. In other cases, an exemption from the Contract Procedure Rules has

been approved in accordance with Article 18.79. Therefore, these proposals are supported from a procurement perspective.

- 7.3 It is proposed to establish a framework of providers to enable the compliant award of contracts from April 2023 onwards, and the Procurement Team will support with this process. Any other expenditure of this funding not specified in this report should be made in compliance with the Council's Constitution and Contract Procedure Rules.

Jo Pettifor, Category Manager – Strategy & People, 19 April 2022

HR comments

7.4 Existing Posts

- a. Rough Sleeping Operations Manager (RSOM) – extend Contract;
- b. Specialist Navigators – extend Contracts:
 - i. 1FTE Hospital Discharge Navigator;
 - ii. 1FTE Mental Health Navigator;
- c. 2FTE existing RSI Social Letting Officers – extend Contracts;
- d. 1FTE new RSI Social Lettings Officer – increase establishment of above.

Whereby approval is granted, management can extend the contracts of current post-holders in listed posts A – C, and increase establishment of C by 1FTE.

New Posts

- a. Rough Sleeping Prevention Case Coordinator;
- b. Housing Aid Rough Sleeping Move On Officer;
- c. 1 FTE Prison Release Navigator;
- d. Housing Aid Assessment Officer.

Whereby approval is granted, management must ensure that the proposed posts are correctly evaluated through Job Evaluation. Management will need to ensure that recruitment is conducted through the appropriate processes, including redeployment consideration. Management should be aware that the selected post-holders should commence on a starting salary of Level One within the respective grade, unless the appointed colleague is already in employment at the Council and on Level 2 of the same grade, in which case the employee would be matched over at the rate of pay they currently receive. There will need to be a support and development plan for the new post-holder once appointed in line with managing performance.

As the funding for all above listed positions, existing and new, is temporary to 2025, an appropriate exit strategy must be in place in order to terminate the contracts in line with NCC guidance in the event that the posts cannot be made permanent at the end of the fixed term period. Management will need to ensure appropriate timelines are in place to notify the affected employee and give appropriate notice.

Aadil Bhatti – HR Consultant, 14/04/22

8. Crime and Disorder Implications

8.1 The approval of the recommendations and delivery of activity funded through the Rough Sleeping Initiative Grant is expected to have a positive impact on crime and disorder within the City.

9. Social value considerations

9.1 The approval of the recommendations and delivery of the activity funded through the Rough Sleeping Initiative Grant is expected to achieve significant social value through the delivery of assistance intended to improve circumstances and outcomes for vulnerable people.

10. Regard to the NHS Constitution

10.1 Not applicable.

11. Equality Impact Assessment (EIA)

11.1 An EIA for the Rough Sleeping Initiative was completed in July 2021 which remains relevant to this funding cycle.

12. Data Protection Impact Assessment (DPIA)

12.1 A DPIA is not required because the decision is not expected to impact or change the way that data is managed within the existing Rough Sleeping Initiative services.

13. Carbon Impact Assessment (CIA)

13.1 A CIA is not required because there are no significant changes that will impact on the minimal carbon production from delivery.

14. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

14.1 None.

15. Published documents referred to in this report

15.1 Minutes - Commissioning and Procurement Sub-Committee, dated 10/11/2020.