

<b>Subject:</b>	Rough Sleeping Funding 2022/25	<b>Status:</b>	For Publication
<b>Report to:</b>	Council	<b>Date:</b>	5 <sup>th</sup> October 2022
<b>Report of:</b>	Director of Economic Development	<b>Lead member:</b>	Housing and Customer Services
<b>Key Decision:</b>	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
<b>Equality Impact Assessment:</b>	Required: No	Attached:	
<b>Biodiversity Impact Assessment:</b>	Required: No	Attached:	
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- 1. RECOMMENDATIONS**
- 1.1. That Council decide if it will accept Department for Levelling Up, Housing & Communities Rough Sleeping funding of £418,916 on behalf of Rossendale, Burnley and Pendle councils.
  - 1.2. That if the funding is accepted, Council approve the continued appointment of Calico Homes to deliver the outreach service required under the terms of the agreement following a waiver of the council’s contract procedure rules.
  - 1.3. To delegate authority to the Director of Economic Development to enter into a framework agreement and service level agreements with Burnley and Pendle councils and Calico Homes and to ensure the legal agreements (including indemnities) are completed before receipt and distribution of funding.

- 2. EXECUTIVE SUMMARY**
- Since 2018 authorities in East Lancashire have worked together to receive rough sleeping funding from Government and have commissioned Calico Homes to deliver this support on their behalf.
  - The funding and services provided assist the council in fulfilling its statutory duties in relation to tackling rough sleeping.
  - Blackburn with Darwen Borough Council has previously led on the bid on behalf of the East Lancashire local authorities since 2018 but in 2022 have decided to bid separately for this funding.
  - In order to ensure the council continue to benefit from the rough sleeping funding Rossendale acting as lead authority submitted a successful joint bid with Burnley and Pendle councils to DLUHC to support those at risk of rough sleeping from the 1<sup>st</sup> April 2022 – 31<sup>st</sup> March 2025.
  - Calico Homes have provided the outreach services since 2018 on behalf of Burnley, Pendle and Rossendale councils and it is proposed that this arrangement continues as it operates effectively.

### **3. BACKGROUND**

- 3.1 The Rough Sleeping Initiative RSI is a project run by DLUHC and forms part of the Government's plan to try and end rough sleeping by 2024. Funding has been in place since 2018 to address this issue and has significantly helped the council discharge its statutory duty to tackle rough sleeping. Between the April 2021 and March 2022 the service has worked with 38 individuals within Rossendale. 20 of these were assisted into temporary accommodation and 13 have since been housed into permanent accommodation. There has been one individual from Rossendale who chose to return to the streets after they lost the temporary accommodation provided due to their behaviours.
- 3.2 The current funding expired in March 2022. Local authorities were invited to bid for continuation funding for initiatives that focus on reducing the number of rough sleepers as well as working with those that have an increased risk of rough sleeping due to experiencing multiple disadvantages such as domestic abuse, mental health, substance misuse, offending etc.
- 3.3 Since RSI funding has been in existence Blackburn with Darwen Borough Council has led on the bid on behalf of all the East Lancashire local authorities. However for funding for 2022 – 2025 Blackburn with Darwen decided to bid separately as they have different pressures on their services with houses of multiple occupancy and a greater volume of rough sleepers. Blackburn with Darwen wanted to apply for additional resources to meet these pressures which would not be used by the other partner local authorities. The decision by Blackburn with Darwen was made on the 11<sup>th</sup> February 2022. The submission deadline for bids was the 25<sup>th</sup> February 2022. As a result of the tight deadlines involved there was not sufficient time to get prior approval for a bid submission and further time was required for discussions with DHLUC on a bid.

### **4. THE FUNDING BID**

- 4.1 The special adviser from DLUHC met with the remaining East Lancashire councils to discuss the funding opportunity and to scope a potential bid for each local authority. Rossendale was advised that an individual bid would be highly unlikely to successful. It was felt that due to sharing similar demographics, similar services and issues that Rossendale, Burnley and Pendle would have better success in submitting a joint bid.
- 4.2 DLUHC's preference was that all existing services would continue operating from the 1<sup>st</sup> April 2022 whilst a decision on bids was made. If the bid was unsuccessful then these services would have ceased. As DLUHC recommended this approach the council continued with the existing services provided by Calico (which have proven effective).
- 4.3 If the council decided not to bid (or not to receive) this additional funding this support would have ceased in 2022. This would put additional pressures on the council's Housing Options Teams to respond, visit and support rough sleepers as well as supporting them whilst in temporary accommodation to ensure that they could sustain this accommodation and not return to the streets.
- 4.4 Calico were appointed in 2018 as the local authorities did not have the housing expertise and capacity to undertaken this role effectively internally. This position remains unchanged. The funding requested in the bid was to continue services already in place through the previous RSI funding awards in order to ensure that there are interventions and pathways in place to support this vulnerable group of people. The posts operated under the RSI funding have been provided by Calico through service level agreements with the councils since 2018. It is

proposed the three councils will have similar agreements with Calico for the period of this agreement.

- 4.5 When a local authority is alerted to a potential rough sleeper contact is made with the Rough Sleeping Navigators (commissioned through the service) to engage with the individual and make sure that their time on the streets is as limited as possible. The Navigators provide one-to-one support to the individual, they are the contact point who liaise with multiple services, make appropriate referrals to services to address unmet needs.
- 4.6 The number of visible rough sleepers in the borough is lower than it would have been without these proactive interventions. The time people are reported to be sleeping rough to when they are engaged and move into temporary or permanent accommodation is kept to a minimum. Between the April 2021 and March 2022 the interventions through the Navigators and Accommodation Support Officer worked with 38 individuals in Rossendale.
- 4.7 Due to the timeframe involved combined with the risk of missing the funding opportunity, the impact that would have on the council and also as this was continuation funding, a bid was submitted. The bid proposes that Rossendale Council act as the accountable body. If a longer lead in time for the bid had been possible the council's position (based on a recommendation from the council's Corporate Management Team) would not have been to propose to be the accountable body for the funding. The council must be aware of the potential risks of accepting funding on behalf of the other East Lancashire councils. Whilst this is outside the governance framework in terms of the Council acting as the accountable body for other organisations, the s151 Officer and the Monitoring Officer have since reviewed the risks and advise that the benefit to accepting the funding outweighs the likely risks. The council has, on other occasions, submitted bids at short notice, subject to member approval, to accept the funding being sought prior to acceptance of the award offer. The council has the option to refuse the funding at this stage. This will have adverse financial implications for the council if it decided to continue funding expenditure already incurred on the project and in continuing this support. The council would have to deliver the services in-house which would place extra pressure on the team due to a lack of expertise and resource.
- 4.8 Funding will be used to continue with the following services:

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total Funding</b>
1x Accommodation Support Officer (Burnley)	£12,666	£38,000	£38,000	£88,666
1x Accommodation Support Officer (Rossendale)	£26,250	£35,000	£35,000	£96,250
2x Case Navigator	£70,000	£70,000	£70,000	£210,000
Personal Budgets	£10,000	£8,000	£6,000	£24,000
<b>Total Grant Award</b>	<b>£118,916</b>	<b>£151,000</b>	<b>£149,000</b>	<b>£418,916</b>

- 4.9 Funding will be received in six monthly instalments. Rossendale will then receive invoices from Burnley Borough Council and from Calico for their respective elements of the granted funding. As the lead, Rossendale will have the responsibility of providing the reporting and financial data. There is a potential for clawback, suspension or reduction in funding if delivery of the interventions are not on track. This risk will be mitigated through regular meetings with Burnley, Pendle and Calico and with the special advisers from DLUHC. The respective s151 Officers at Burnley and Pendle Borough councils will have to formally agree to the heads of terms the council have set out which in brief are as follows;

- Agree to abide by the terms of the funding and not do anything to put Rossendale Borough Council in breach of the same.
- Indemnify/hold harmless each other under the terms of the funding. Any clawback (if any) to be covered by the defaulting party.
- Agree to enter into a joint framework agreement and council specific SLAs for the delivery of the funded services with Calico.
- Agree to provide all necessary data/return info/claim information as reasonably requested by Rossendale Borough Council and in any event no later than 5 working days prior to submission deadlines etc.

4.10 As a result of the tight timeframe of bid submission and the lifting of the embargo on the notification of the success of the bid only having been lifted in the recent weeks, it has not been possible to undertake a full procurement exercise to appoint a suitable contractor to deliver the outreach services. The bid was further submitted as a continuation service with Calico providing the outreach services. The Director of Economic Development and the Chief Finance Officer agree that significant financial loss may be incurred if the letting of the contract is delayed. The council would not be in a position to fulfil the requirements of the grant funding and there would be a risk of the grant being withdrawn leaving the council having to part fund the work that Calico have been undertaking since April 2022. Council is therefore requested to agree an exemption to the Contract Procedure Rules to allow for a direct award to Calico Homes, subject to the signing of appropriate legal agreements to protect the council's interests.

## 5. RISK

The key risks relating to the funding, and how these would be mitigated, is as follows:

- 5.1. If the council were minded not to accept the grant funding agreement then the costs for the continuation of services to date would have to be met by the council. This could be mitigated by terminating the service provision.
- 5.2. Discontinuation of the service may lead to an increase in the number of people sleeping rough and would result in those already rough sleeping to receive only limited support. This would also negatively affect the council's performance on meeting its statutory homeless duties.
- 5.3. Acting as an accountable body on behalf of other local authorities carries risk of potential future clawback, suspension or reduction in funding if delivery of the interventions are not on track. The posts have been provided by Calico through service level agreements with the councils since 2018. It is proposed the three councils will have updated agreements with Calico for the period of this agreement as outlined in 4.9. Funding will also be received in tranches, reducing the overall financial risk. These measures will mitigate but not eliminate the potential risk.

## 6. FINANCE

- 6.1 The grant award is for £118,916 in 2022/23, £151,000 in 2023/24 and £149,000. Total £418,916.
- 6.2 The grant will be paid in tranches:-
  - Tranche 1 payment: Summer 2022
  - Tranche 2 payment: Autumn 2022
  - Tranche 3 payment: Spring 2023
  - Tranche 4 payment: Autumn 2023
  - Tranche 5 payment: Spring 2024
  - Tranche 6 payment: Autumn 2024

Tranche 1 will be paid upon acceptance of the grant, with subsequent tranches being released dependent on the mobilisation and delivery of services, satisfactory completion of DLUHC's monitoring processes and submission of a statement of expenditure,

6.3 Subject to the proposed exemption of the procurement rules, the councils will enter into a framework agreement with Calico and payments will be made direct to them via the individual SLAs. Payments will be made six monthly in arrears, subject to receipt of an invoice and provision of a statement of expenditure and monitoring information as required by DLUHC.

6.4 As accountable body the council has overall responsibility for delivery of the scheme and may be subject to clawback of grant if the terms and conditions of the grant are not adhered to. In order to mitigate this risk the council will enter into an SLA with Calico and obtain indemnities from Burnley and Pendle councils.

## 7. LEGAL

7.1 Council is required to confirm if it wishes to accept the grant funding due to the value of the same having taken into consideration the contents of this report.

7.2 Part 4 of the Constitution provides that where the head of service and Chief Finance Officer agree that significant financial loss may be incurred if the letting of a contract is delayed, the Contract Procedure Rules shall not apply. The direct appointment of Calico would therefore be compliant with the Constitution as a waiver to the procedure rules.




7.3 All necessary legal agreements will be agreed and completed with Burnley and Pendle councils and Calico to include indemnities from all parties to ensure compliance with the obligations and requirements of the funding allocation.

## 8. POLICY AND EQUALITIES IMPLICATIONS

The additional support offered by funding has been used to support one of Rossendale's most vulnerable communities – rough sleepers. Although the total number of rough sleepers in Rossendale is relatively low, if Council decided not to accept the funding this is highly likely to have a detrimental impact on rough sleepers and those at risk of becoming a rough sleeper.

## 9. REASON FOR DECISION

This represents an opportunity to continue and build upon the work already delivered by the rough sleeping navigators to bring rough sleepers in from the streets, ensure that they do not return to the streets and those at greatest risk of becoming a rough sleeper do not sleep rough.

<b>Background Papers</b>	
Document	Place of Inspection
Rossendale Rough Sleeping Self-Assessment	 Rossendale Rough Sleeping Self-Assessr
RSI Bid Submission	 RS14 2022-25 Bid Submission.pdf
Confirmation of Funding	 Rossendale Confirmation of Fundi