

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2515

Title: 'Life off the Streets' – new rough sleeping services

Executive Summary:

The GLA commissions and funds a range of pan-London rough sleeping services, which collectively form the Mayor's 'Life off the Streets' programme. The Mayor has been expanding these services since taking office, and he is expanding them further this year. This MD seeks approvals of expenditure of £12.97m (comprising £9.77m from the GLA budget and up to £3.2m that the Mayor has recently secured from the Government) to support: a Winter Programme 2019/20; new Somewhere Safe to Stay hubs; an expanded Tenancy Sustainment Team (TST); an expansion of the Clearing House; and a new service for those 'living on the streets'.

Decision:

That the Mayor approves:

1. the receipt of grant funding of up to £3.2m from the Ministry of Housing, Communities and Local Government's (MHCLG) Rapid Rehousing Pathway fund for delivery of rough sleeping services;
2. expenditure of a total of £12.97m comprising:
 - a. £3.5m for a Winter Programme 2019/20 (£2.7m through grant funding and £0.8m to vary St Mungo's No Second Night Out contract),
 - b. £4.18m for two new Somewhere Safe to Stay hubs;
 - c. £3.29m to expand the Tenancy Sustainment Teams (TSTs) and Clearing House (and vary the GLA's contracts with St Mungo's and Thames Reach for these services); and
 - d. £2m for a new service for those living on the streets;
3. an exemption from the requirements of the Contracts and Funding Code in relation to GLA's proposed variations of its existing contracts with St Mungo's and Thames Reach, where relevant, to deliver expanded services as set out in 2(a) to (c) above; and
4. the allocation of funding to the successful bidders to the Winter Programme Fund to be authorised by the Executive Director, Housing and Land.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

11/11/19

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 During 2018/19, 8,855 people were seen sleeping rough in London – more than double the number in 2010/11. Of these, 62 per cent of those were new to the street, 51 per cent were non-UK nationals, and 31 per cent were from Central and Eastern European (CEE) countries. Around three-quarters had one or more support needs, with 50 per cent having a need related to mental health, 42 per cent to alcohol, and 41 per cent to drugs.
- 1.2 Since 2016, the Mayor has coordinated efforts through his 'No Nights Sleeping Rough' (NNSR) taskforce to identify, implement, lobby for, and monitor the effectiveness of interventions to tackle rough sleeping. In his London Housing Strategy, the Mayor set out his aim that there should be a sustainable route off the streets for every rough sleeper in London. In June 2018, he published his Rough Sleeping Plan of Action which outlines the steps that need to be taken by City Hall, the Government, and others to achieve this.
- 1.3 Since taking office, the Mayor has been expanding the pan-London rough sleeping services the GLA funds and commissions. These services collectively form his 'Life off the Streets' programme. They are services for rough sleepers, or initiatives to tackle rough sleeping, that cannot or would not be provided at a London borough level, as they are pan-London or multi-borough in their remit.
- 1.4 The £12.97m spending for which approval is sought will further expand the Mayor's Life off the Streets programme. It comprises £3.2m that the Mayor has secured from the Government's national Rapid Rehousing Pathway funding and £9.77m from the GLA budget.
- 1.5 It is proposed that the £12.97m will be spent on:
 - £3.5m for a new Winter Programme – an intense period of activity to support people off the streets at the coldest time of the year. This comprises: £2.2m that councils and other organisations can bid for to support the programme; £0.3m to grant fund Housing Justice, who in turn support local faith-based shelters through the 'Equipping Shelters Project'; £0.8m to expand the Severe Weather Emergency Protocol (SWEP) and other services via a variation of the existing No Second Night Out contract; and £0.2m to grant fund a new specialist StreetLink phoneline for self-referrals;
 - £4.18m for two new Somewhere Safe to Stay (SSStS) hubs to help those at risk of sleeping rough, and a new associated Private Rented Sector (PRS) Access Team to help people move on from the hubs and other services, via a variation of the existing No Second Night Out (NSNO) contract;
 - £3.29m for an expansion of the services delivered by the Tenancy Sustainment Teams (TSTs) and through the Clearing House, comprising:
 - £2.32m to provide support for people living in new homes delivered through the Mayor's Move-On Programme. This will be via a variation of the two existing TST contracts (up to £0.35m for remainder of contract) and £1.67m for any future TST contract, and a variation of the existing Clearing House contract (£0.3m); and
 - £0.97m to support rough sleepers who have been resettled in private rented accommodation instead of Clearing House accommodation. This will be via a variation of the two existing TST contracts (St Mungo's £0.46m and Thames Reach £0.43m) and the existing Clearing House contract (St Mungo's £0.08m).
 - £2m for a new Mayoral service to help those living on the streets, to be competitively tendered in Autumn 2019 and launched in February 2020.
- 1.6 The detail of each of these services is set out in section 2 below.
- 1.7 When the Mayor came to office, the GLA was spending £8.45m a year on its rough sleeping services. Through a combination of the above and other increases in spending, this year the total GLA budget for rough sleeping services will have more than doubled in 2019/20 – to over £18m.

- 1.8 Variations to the contracts with St Mungo's (No Second Night Out, Clearing House and Tenancy Sustainment Team North) and Thames Reach (Tenancy Sustainment Team South) will be required to incorporate the additional duration of services and increased spend outlined above. The other services will be provided on a grant-funded basis or competitively procured.

2 Objectives and expected outcomes

- 2.1 The aim of these new services is to expand the Mayor's Life off the Streets programme, to help achieve his vision for everyone sleeping rough to have a route away from the streets.
- 2.2 The £12.97m approved by this MD will support the expansion of services as set out in paragraph 1.5. Further details of how this extra funding will be spent are set out below.

Winter Programme

- 2.3 The Mayor, working with his No Nights Sleeping Rough (NNSR) taskforce, has secured major improvements to winter provision for rough sleepers in the capital over the last two years. These include changes to the Severe Weather Emergency Protocol (SWEP) to ensure that it now opens as soon as the temperature is forecast to be zero degrees or lower on any night, as opposed to waiting for a forecast of three consecutive nights of sub-zero temperatures under the previous policy.
- 2.4 Councils have also agreed to open their provision as soon as temperatures drop to zero in any part of the capital, rather than only when this is the case in their local area. They have also adopted the 'in for good' principle, which was pioneered in GLA-funded shelters and which means people in SWEP provision are accommodated until there is a support plan in place for when they leave.
- 2.5 The Mayor has also worked with smaller winter shelters to develop their local provision through the grant-funded 'Equipping Shelters Project', which the charity Housing Justice has delivered.
- 2.6 This year the Mayor is planning a £3.5m Winter Programme to boost services throughout the winter, including by opening the GLA's shelters continuously from the end of the Christmas period until at least the end of February. This programme will expand Mayoral services and will use £2.2m of the funding (the 'Winter Programme Fund') to support councils or other organisations who offer continuous shelter provision in line with this year's GLA provision. Opening other organisations' shelter provision continuously will widen the impact of this approach and will help enable Mayoral services to continue to operate as overflow.
- 2.7 This MD approves £3.5m spending on the Winter Programme which will consist of:
- a £2.2m Winter Programme Fund, which will award grants of between £0.05m and £0.25m to councils and third sector organisations (grants of more than £0.25m may be available to projects which cover multiple London boroughs);
 - £0.3m grant funding to Housing Justice to continue and develop their Equipping Shelters Project. Housing Justice is the membership body that coordinates winter night shelter provision across London and were identified last year as the only organisation that has the expertise to deliver this work - this position has not changed;
 - £0.8m for additional floating hubs, a staging post, and SWEP provision, delivered through No Second Night Out; and
 - £0.2m grant funding to St Mungo's for a new specialist StreetLink advice line specifically for self-referrals to ensure people sleeping rough, or about to sleep rough, can receive immediate advice from a trained individual.
- 2.8 The GLA is inviting bids to the Winter Programme Fund from a variety of organisations to ensure that there is a good range of providers and provision, and that smaller projects are supported alongside larger well-established providers.
- 2.9 The Programme will aim to support around 700 people over the course of two months.

- 2.10 The allocation of funding to the successful bidders to the Winter Programme Fund will be authorised by the Executive Director, Housing and Land.
- 2.11 The extra GLA services will be delivered through a variation to the No Second Night Out (NSNO) contract which was entered following an OJEU procurement exercise to identify a provider in 2016. The initial NSNO contract value was £14.72m over a potential four years (£3.68m a year) which expires in March 2021. This contract was subsequently varied by an additional £1.53m (approved by the Mayor in MD2333) and, it is proposed, will be further varied by £2.33m under MD2481 (subject to approval). The changes above – to expand NSNO over the winter period as part of the Winter Programme – require a variation to the NSNO contract of £0.8m.

Somewhere Safe to Stay hubs

- 2.12 This MD also seeks approval to spend £4.18m on:
- two new Somewhere Safe to Stay hubs to provide short-term emergency shelter to people who are at risk of sleeping rough, people who call StreetLink and are about to sleep rough, and people who have approached a London borough as homeless but have not been placed in temporary accommodation. Each hub will have capacity for 25 people at any one time, with the overall target of assessing over 300 people a year (£3.84m); and
 - a Private Rented Sector (PRS) Access Team to work with people at the above hubs and with landlords to improve options for people for whom the sector is suitable. The PRS Access team will source up to 200 additional properties over a year (£0.34m).
- 2.13 These extra services will be delivered through a variation of the NSNO contract, as retendering would result in a significant and unacceptable delay. Also, competition from other service providers would be unlikely given the limited duration of funding.
- 2.14 Paragraph 2.11 above sets out details about the NSNO contract and subsequent and planned variations. The changes to develop two Somewhere Safe to Stay hubs, and a new PRS Access team, requires a variation to the NSNO contract of £4.18m.
- 2.15 It should be noted that the current NSNO contract expires after 31 March 2021. The above extra spend that may go beyond this date is likely to be included in a future contract that will be re-procured and will not all be added by variation to the current contracts.

Tenancy Sustainment Teams and Clearing House

- 2.16 The Clearing House stock comprises over 3,500 homes, provided by housing associations, that are ring-fenced for people who have slept rough in London. There is a turnover of 200-250 tenancies in the stock each year, with new tenants coming predominately from hostels or directly from the streets. People are referred to these properties via the Clearing House team who process referrals and allocate the properties.
- 2.17 Most people in Clearing House accommodation receive support from Tenancy Sustainment Teams (TSTs), of which there are currently two – one in north London, and the other in south London. Since April 2016, they have been provided by St Mungo's and Thames Reach respectively, awarded through an OJEU competitive tender process.
- 2.18 The Mayor has set aside up to £50m of funding for a Move-On Programme to deliver new Clearing House homes for people moving on from homelessness hostels and from refuges for victims of domestic abuse. Of this, £3.125m is revenue funding, which is available to fund support to residents of the new homes delivered (approved in MD2467), and there is further funding from the Government of up to £200,000 a year to administer the programme. This MD seeks approval to fund Clearing House to manage the referrals, and the TSTs to support people living in the new homes where support is not being provided via another service provider.
- 2.19 The support that people in Clearing House accommodation receive is not generally available to former rough sleepers who move into the private rented sector (PRS) or some other types of accommodation. There is clearly a gap in this provision – one which has increased in recent years as councils have had to decommission floating support services as a result of budget cuts. This MD therefore seeks approval to expand TST support to help former rough sleepers in the PRS. Although these PRS homes

are not Clearing House stock, the Clearing House team will also administer referrals, and this MD seeks approval to fund them to do so.

2.20 This MD seeks approval of £3.29m of extra spending to fund:

- TST support for three years for people in up to 150 of the homes delivered through the Move-On Programme (£2.02m);
- Clearing House processing of referrals and nominations to the homes delivered through the Move-On Programme for two years (up to £0.3m); and
- TST support to up to 500 people moving into PRS accommodation for 12 months, with Clearing House administering referrals (£0.97m).

2.21 The current providers have the technical expertise to provide this support and will be able to meet the funding requirement from the MHCLG to have the PRS TST Team operational by October 2019. If this additional provision was commissioned by competitive tender, there would be significant delay to these projects, as well as duplication of costs with two contractors working with the same client group in the same boroughs at the same time. In addition, the first Move-On units will be delivered in the autumn, so the referral, nomination and support arrangements need to be in place as soon as possible.

2.22 The Clearing House and TST contracts were entered into following an OJEU procurement process and commenced on 1 April 2016. The initial contract value for Clearing House was £1.05m over five years (£0.21m a year). For TST North, the initial contract value was £6.05m over five years (£1.21m a year) and for TST South £6m over five years (£1.2m a year). These two contracts were subsequently varied by an additional £0.15m (£0.1m and £0.05m respectively) as approved by the Mayor in MD2297.

2.23 The changes proposed above require variations to the Clearing House contract by £0.37m and to the TST contracts of up to £2.92m combined.

2.24 It should be noted that the current TST contracts are due to end by 31 March 2021. The above extra spend that will go beyond this date is likely to be included in future contracts that will be re-procured and will not all be added by variation to the current contracts.

A new service for those living on the streets

2.25 There is a strong correlation between a person's level of support needs and the time they have spent on the streets. Around two-thirds of entrenched rough sleepers are recorded as having a mental health support need, significantly more than those new to the streets. Likewise, around half of entrenched rough sleepers have a drug use support need, compared to around a third of people new to the streets.

2.26 The Mayor's Rough Sleeping Plan of Action proposed, subject to additional funding, a new service for people who are not new to the streets. This is because there is a lack of immediate options for people who are living on the streets, especially those for whom traditional rapid assessment services and existing provision have not worked. The Mayor has now committed £2m for a two-year service to help this cohort off the streets.

2.27 This MD seeks approval to spend £2m for this new service for those living on the streets. This will be competitively procured through a full OJEU-advertised tender with a provider for two years, with a potential to extend for an additional five years, subject to future funding,

2.28 This service is aimed at people living on the streets who may have become entrenched. It aims to provide 'respite' through a short-term accommodation stay, followed by efforts to secure more permanent accommodation.

2.29 The service will aim to work with at least 180 people each year, with targets to achieve moves into sustainable accommodation and ensuring that people do not return to sleeping rough.

3. Equality comments

- 3.1 Under section 149 of the Equality Act 2010, as public authorities, the Mayor and GLA are subject to a public-sector equality duty and must have 'due regard' to the need to (i) eliminate unlawful discrimination, harassment and victimisation; (ii) advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and (iii) foster good relations between people who share a relevant protected characteristic and those who do not. Protected characteristics under section 149 of the Equality Act are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status (all except the last being "relevant" protected characteristics).
- 3.2 Of those seen rough sleeping in 2018/19:
- 51 per cent were non-UK nationals;
 - 50 per cent had a mental health need;
 - 16 per cent were women;
 - most of those seen rough sleeping (56 per cent) were in the 26-45 age group;
 - eight per cent were under 26 years old;
 - 12 per cent were over 55; and
 - five people were under 18.
- 3.3 Those with protected characteristics of race and disability are over-represented among rough sleepers, as the client group for these services is people with a history of sleeping rough the proposals in this paper are likely to have positive impacts on these groups. Further it is likely to foster good relations between people who share a characteristic and those who don't via the new workforce.

4. Other considerations

a) Key risks and issues

Risk description	Impact	Likelihood	Mitigating action
Due to the lack of current move-on options, the Mayor's existing services will be the only option for many of those that access shelters, which could result reduce outcomes for the Mayor's core services in the first two quarters of 2020/21.	High	Low	Performance targets for NSNO and other core Mayoral services will be monitored closely and may be adjusted if, as anticipated, there are a high number of clients referred to Mayoral services from the Winter Programme.
The providers may not be able to recruit for all of the additional work being required.	Medium	Medium	The GLA is working with providers, boroughs and MHCLG to ensure enough lead-in time is available to allow for recruitment and wider HR processes. However, given the relatively small size of the sector, and rapid growth recently seen, some providers may struggle to recruit imminently.

b) Links to Mayoral strategies and priorities

4.1 See paragraph 1.2 above.

c) Impact assessments and consultations

4.2 The bids for the proposed new services and projects were developed in partnership with the Mayor's No Nights Sleeping Rough taskforce and were informed by in-depth consultation with stakeholders from London boroughs, voluntary sector providers and the wider homelessness sector.

5. Financial comments

5.1 This decision requests an approval for the receipt of up to £3.2m from the Ministry of Housing, Communities and Local Government, of which £2.28m has already be secured and £0.92 is agreed conditional on confirmation of the property for the second Somewhere Safe to Stay hub. The decision also requests expenditure of £12.97m on various rough sleeping services. The expenditure is made up of:-

- £3.5m for a winter programme;
- £4.18m for two new Somewhere Safe to Stay hubs;
- £3.29m to expand the Tenant Sustainment Team and Clearing House; and
- £2m for a new service for those living on the street.

5.2. More details on the programmes are set out in paragraph 1.5 above.

5.3. The £12.97m expenditure will be funded from up to £3.2m received from MHCLG as part of this decision and £9.77m from the GLA budget, £6m funded from Business Rates and Council Tax in February 2019, £1.5m from the Revenue Grants Unapplied reserve and £3.27m from the Move On fund.

6. Legal comments

Powers to Undertake the Requested Actions

6.1 The foregoing sections of this report indicate that the decisions requested of the Mayor fall within the statutory powers of the Authority to promote and/or to do anything which is facilitative of or conducive or incidental to the promotion of social development in Greater London and in formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:

- (a) pay due regard to the principle that there should be equality of opportunity for all people;
- (b) consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
- (c) consult with appropriate bodies.

6.2 In taking the decisions requested of him, the Mayor must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.

Variation of Existing Contracts

- 6.3 This paper seeks approval of the variation of:
- 6.3.1 three existing contracts between the Authority and St Mungo's relating to the No Second Night Out project, the Tenancy Sustainment Team North project and the Clearing House project; and
 - 6.3.2 the existing contract between the Authority and Thames Reach in relation to the Tenancy Sustainment Team South project.
- 6.4 The variation of each of the contracts listed in paragraph 6.3 above amounts to less than 50% of the original contract value. To this end, the Authority may vary the said contract, if a change of contractor (a) cannot be made for economic or technical reasons; and (b) would cause significant inconvenience or substantial duplication of costs for the Authority. The officers have set out at section 2 of this report how those two criteria have been met.
- 6.5 Furthermore, in accordance with Public Contracts Regulations 2015, the Authority is required to publish notices in the Official Journal of the European Union in relation to the variation of the agreements. The officers should liaise with TfL's procurement team as regards the said notices and the appropriate documentation, which is required to record the agreement of the parties as to the variations.

Exemptions from the Contracts and Funding Code

- 6.6 Decision 3 of this report asks for an attendant exemption from the requirements of the Contracts and Funding Code ("Code") for each of the variations listed at paragraph 6.3 above. Section 10.1 of the Code provides that a procurement may be exempted from the requirement to run a competitive procurement process where it involves a contractor, which has previous involvement in a specific current project or the continuation of existing work that cannot be separated from the new work. In the case of each of the said variations, the contractors have previous involvement in the projects the subject of the variations. The officers have set out in section 2 above more detail in relation to the requested exemptions.

Provision of Grant Funding

- 6.7 The proposed Winter Programme includes the provision of £2.7 million in grant funding to various London boroughs, third sector organisations, Housing Justice and St Mungo's. The officers are reminded to ensure that the requirements of section 12 of the Code be complied with in the award and distribution of the grant funding. Furthermore, the officers must ensure that appropriate funding agreements be put in place between the Authority and the grantees.

7. Planned delivery approach and next steps

Milestones	Indicative date*
Mayoral approval secured/CIB	23 September
SStS hubs, PRS Access team, TST PRS team, and additional TST/ Clear Housing services for people living in Move-On accommodation, all commence	August – October 2019
Winter Programme Fund prospectus launched	August 2019
Winter Programme delivered	January – March 2020
Competitive procurement commences for new service for those living on the streets	October 2019 January 2020

Winning provider announcement	February 2020
Service launch event	

Appendices and supporting papers:

MHCLG confirmation of funding (to include once published)

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral**Is the publication of Part 1 of this approval to be deferred? Yes**

If YES, for what reason: to allow combined announcement of the expanded 'Life off the Streets' services.

Until what date: Mid-October 2019

Part 2 - Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form -NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Jonathan Qureshi has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Rickardo Hyatt has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

James Murray has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 30 September 2019.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. Qureshi

Date

30.9.19

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

D. Bellamy

Date

30/9/2019