

Meeting:	Overview and Scrutiny Committee	Date:	3rd September 2018
	Cabinet		12th September 2018
Subject:	Progress report on countywide entrenched homeless Social Impact Bond ('ACTion Glos')		
Report Of:	Cabinet Member for Communities & Neighbourhoods		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	1		

1. Purpose of Report

1.1. The purpose of this Report is to provide a progress update regarding the very welcome new service that seeks to support entrenched rough sleepers or people with repeat interaction with homeless services, and who have complex needs, through means of a Social Impact Bond ('SIB'). The service has been commissioned through Gloucester as the lead authority on behalf of the other Gloucestershire councils; and a contract entered into with the charity P3 (which has also recently been awarded Registered Provider status) The new service is known as 'ACTion Glos'.

2. Recommendations

Cabinet is asked to **RESOLVE** to:

2.1 Welcome the progress made by this new service.

2.2 Delegate authority to The Corporate Director in consultation with the S151 Officer and Council Solicitor to accept further funding from the Ministry of Housing, Communities and Local Government (MHCLG) for an additional funding of up to of £271,980 to work with an additional 16 clients and enter into all necessary legal documentation.

3. Background

- 3.1. A report¹ to Cabinet was approved on 8th March 2017 regarding funding from MHCLG for an innovative additional service to work with entrenched homeless people with complex needs. This ‘Social Impact Bond’ would have specified outcomes relating to accommodation, substance misuse, mental health, and training & employment, with sliding payment rates relating to access and sustainment of housing and services; and would use innovative and flexible methodology, including a ‘Housing First’²-type approach. (Housing First is an approach to quickly and successfully connect individuals experiencing homelessness to settled accommodation without preconditions and barriers to entry such as sobriety, treatment or service participation requirements). Authority was given for Gloucester to be the lead authority and to enter into any necessary agreements.
- 3.2. This report coincides with the release of the Government’s Rough Sleeping Strategy³ with a commitment to halve the level of rough sleeping by 2022 and to end it by 2027. Housing First initiatives elsewhere have a high degree of success and so Gloucester had elected to pursue funds for the ‘social impact bond’ in order to deliver a similar approach here. The new Strategy acknowledges this initiative as part of a wider package of measures to eliminate rough sleeping; and also recognises the contribution of the additional supply of new homes and the value of sufficient and good quality supported housing.

¹ <http://democracy.gloucester.gov.uk/documents/g6007/Public%20reports%20pack%2008th-Mar-2017%2018.00%20Cabinet.pdf?T=10> – Original Cabinet report

² <https://hfe.homeless.org.uk/about-housing-first> - Homeless Link website about ‘Housing First’ approach & principles

³

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/733421/Rough-Sleeping-Strategy_WEB.pdf – Government’s new Rough Sleeping Strategy, August 2018

4. Progress to date

- 4.1. In March 2017, MHCLG awarded Gloucester City Council (as lead authority) an implementation grant of £77k (in addition to the £990k maximum outcomes budget) to cover legal costs, time of the County Homelessness Coordinator ('CHC') to lead on procurement and contract management, and other expenses. The lead authority does not have any financial liability.
- 4.2. Following a market engagement event (March), a competitive tender process was undertaken. The contract was awarded to P3 Charity and signed on 7.11.2017.
- 4.3. In September 2017, multi-agency meetings of relevant specialist services (in homelessness, substance misuse, mental health, physical health, vulnerable women, offending, etc) drew up a long-list of individuals who were known to meet the detailed eligibility criteria for the service (see previous report). These initial referral meetings were limited to key commissioned stakeholders, to ensure compliance with data protection regulations, as well as to make discussions about a large number of individuals practicably manageable. Referral eligibility is checked by the CHC before forwarding on to ACTion Glos to find each individual, facilitate engagement, assess, and sign up into the cohort.
- 4.4. P3 started mobilising the new service following award in September 2017, and have continued to build up their staff team as projected in their tender as the cohort built up: p/t service manager + 7 'link workers'.
- 4.5. Payment by Result outcomes are accelerating; despite it being relatively early in the service, ACTion Glos is already making some very significant breakthroughs with individuals with multiple and extremely complex needs – and crucially, beginning to get sustainment outcomes (ie *continued* use of accommodation and specialist services, beyond initial access to them – see outcomes card in Appendix 1). It is working innovatively, flexibly, and tenaciously as required with this client group. As of August 2018, 92 individuals – who have met rigorous eligibility criteria, and been prioritised by greatest need and complexity – have been accepted into the cohort.
- 4.6. Partnership work is inherent in the model and vital to the success of the project. There is excellent collaboration happening operationally and strategically, and two organisations have seconded workers.

- 4.7. There have been a number of challenges to overcome in the first year which have provided learning and insight to continue to develop the model. Information sharing protocol, the impact of antisocial behaviour, and incidents of exploitation of clients by Dangerous Drugs Networks – all of which are being addressed. The experience, preparation, knowledge, and commitment that P3 bring, alongside strategic and operational goodwill from local and national partners, has already enabled – and will no doubt continue to enable – solutions and positive results for many of these individuals and the wider community.
- 4.8. To date it has been disappointing that more stock has so far not yet been able to be provided by social landlords for Housing First accommodation; although we acknowledge demands for all accommodation are high. This problem has however has been sufficiently mitigated by P3 sourcing their own stock, as well as working with Pivotal Housing, a social landlord new to the area. Pivotal have taken longer than expected renovating accommodation, but this has been done to a high standard, and clients are now moving into this stock (with 24/7 housing workers in addition to ACTION Glos link workers).
- 4.9. MHCLG, in conjunction with Sheffield Hallam and Southampton universities, are conducting a 'Homeless Complex Needs evaluation' across SIB areas as well as other recently funded programmes, looking at the effectiveness and costs of different approaches (including 'Housing First') to inform future national commissioning.
- 4.9.1. The Gloucestershire SIB has agreed to work with a sub-cohort of 20 volunteer clients to provide detailed quarterly pseudonymised information on their current accommodation, health, substance use, offending, etc; as well as be interviewed by researchers on their background and causes of homelessness. With clients' informed consent, some personal data may also be cross referenced with data from government departments (DWP, PHE, MoJ) to inform more detailed efficacy and cost analysis.
- 4.9.2. 10 individuals have signed up to this evaluation process to date. The City Council will not be involved in this work in any way, other than 1) to process a one-off MHCLG grant to P3 to purchase volunteers' reward vouchers, and 2) to

provide one point of contact for clients to withdraw their consent from this evaluation should they wish. National evaluation reports should be published in Autumn 2019.

5. Alternative Options Considered

(Not applicable)

6. Reasons for Recommendations

(Not applicable)

7. Future Work and Conclusions

- 7.1. MHCLG recently invited applications for increased funding from existing SIB areas to use the unspent budget of one of the 8 original areas which was unable to procure a service. Gloucestershire submitted an application to work with 16 additional clients, with an additional maximum budget of £271,980. Evidence of need, current success, and detailed spend profile were all provided; the application was agreed in full. This additional funding was mentioned in the Government's new Rough Sleeping Strategy, released on 13th August. The additional clients will need to be entered into the cohort by end December 2018, bringing the cohort to 126 individuals, with new maximum Payment by Result budget of £1,261,980.
- 7.2. The County Homeless Coordinator and ACTion Glos' director attended a second homeless SIB networking / progress forum on 7th August 2018 at MHCLG to share good practice with the 6 other homeless SIB areas; and to report / discuss any procurement, mobilisation, and ongoing challenges. Gloucestershire was ahead of some areas in procuring, mobilising, and cohort target, despite being a smaller population; and faces similar challenges working with very complex individuals in challenging housing environments, whilst already achieving some novel and significant breakthrough outcomes through tenacious and innovative link working.
- 7.3. To optimise availability, size, type, mix and sustainability of housing for the existing and additional cohort of this service, we hope to work with P3 and local Registered Providers to realise new Housing First-type social tenancies; and also to consider

applying for any new capital 'Move On Funding' (referenced in the Recovery section of the new Rough Sleeping Strategy⁴) to acquire or build new stock directly.

- 7.4. It is very pleasing that MHCLG are confident in the success of the service so far, and have committed additional funding; we share their satisfaction with the work of this new service, and look forward to seeing increasing sustained outcomes for this most vulnerable client group as the service grows and continues.

8. **Financial Implications**

- 8.1. The project is funded through an innovative SIB (Social Impact Bond) model which is financed through investment from MHCLG. This means that up front provider costs are covered by the social investor through a separate agreement between the social investor and the provider. The Council is making quarterly payments to the provider results which are reimbursed by MHCLG. The Council does not fund the service nor does it have any financial risk liability; it merely administers local payments. Should we be successful in the application for additional funding for additional clients, this arrangement will continue

9. **Legal Implications**

One Legal has been closely involved with procurement, contracts, and GDPR compliance. Should we be successful in additional funding, they will also check a revised MOU with MHCLG.

10. **Risk & Opportunity Management Implications**

(Not applicable)

11. **People Impact Assessment (PIA) and Safeguarding:**

(Not applicable)

12. **Other Corporate Implications**

(Not applicable)

Background Documents: None

Appendix 1

Breakdown of cohort, as of 26.7.2018

(Data that contains 3 or less individuals has been redacted to prevent identification of individuals):

Gender	
Male	76% (57)
Female	23% (17)
Transgender	(redacted)
Age	
18-20	5% (4)
21-34	45% (34)
35-64	49% (37)
65+	(redacted)
Location – at time of referral (these are not reflective of local connection):	
Cheltenham	43% (32)
Cotswold	(redacted)
Stroud	9% (7)
Tewkesbury	(redacted)
Forest of Dean	(redacted)
Gloucester	41% (31)
Prison	5% (4)
Homeless History	

Rough slept 6+ times in last 2 years (only)	11% (18)
Cyclical use of homeless services for 3+ years (only)	17% (13)
Both criteria	72% (54)
Complex needs (known about):	
Substance misuse issues	96% (72)
Mental health issues	93% (70)
Recent offending history	77% (58)
Physical health issues	45% (34)
Learning difficulties	19% (14)
Other (some individuals with multiple)	15% (11)

<p>Evidence for specified outcomes is sent to the County Homelessness Coordinator to verify, who then submits agreed outcomes to MHCLG for payment to P3. An MHCLG officer came to P3's office in July to spot-check outcomes evidence. They "passed with flying colours".</p> <p>Agreed quarterly outcomes:</p>		
Quarter 1 (Oct-Dec 2017)		
	1 st General Wellbeing Assessment	11
	Entry to Accommodation	7
Quarter 2 (Jan-Mar 2018)		
	1st General Wellbeing Assessment	22
	Entry to Accommodation	11
	3 Month Sustainment of Accommodation	4
Quarter 3 (Apr-Jun 2018):		
	1st General Wellbeing Assessment	32

	2nd General Wellbeing Assessment	9
	Entry to Accommodation	11
	3 month Sustainment of Accommodation	8
	6 month Sustainment of Accommodation	5
	Entry to Drug Treatment	11
	Sustainment of Drug Treatment	2