

Integrated Impact Assessment (IIA)

Informing our approach to fairness

Proposal: Homelessness prevention contract change

Date of assessment: November 2023

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Portfolio: Dynamic City

Version: 1

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Section A: Current service

1. What does the service / function / policy do?

The council commissions homelessness prevention services which offer accommodation and support for people who are homeless, or who are at risk of becoming homeless.

These services help us to ensure that people's experience of homelessness is rare, brief and non-recurring, in line with [Newcastle's Homelessness and Rough Sleeping Strategy 2020-25](#).

These services provide accommodation and support for people at a vulnerable point in their lives, many of whom have a range of needs, including people with nowhere to stay following leaving care, prison, hospital, and eviction from other accommodation settings.

In total, we commission 734 units of supported accommodation, including:

- 36 women-only hostel beds, offering short-term relief.
- 65 men-only hostel beds, offering short-term relief.
- 7 single occupancy properties, offering short-term relief.
- 20 [Housing First](#) properties, offering a stable home from which people can access support to address additional support needs.
- 98 supported accommodation beds for young people.
- 432 supported accommodation beds for adults.
- 74 supported accommodation beds for people with mental health problems.
- 2 emergency beds.
- access to a safe and warm overnight space during extreme weather conditions.

Alongside the buildings, we commission support that is tailored to the person's needs, including:

- outreach to support people who are sleeping rough.
- help to link into support services, such as mental health, benefits, and financial advice.
- support to move into and sustain an independent tenancy.

These services aim to provide cost effective and compassionate responses to people who experience homelessness. Therefore, all bedrooms are single occupancy, and in hostels, all bedrooms are ensuite with shared access kitchens and communal space.

Support is either delivered by staff who are based in the accommodation, or it is provided on a visiting basis – whereby staff visit the accommodation on a regular basis. Those accommodation services that are staffed 24 hours per day provide a safe environment for residents as well as support for people who may be at a point of crisis at any time of day and night.

The accommodation funded through these contracts is either directly owned by the third party providers that deliver the contract, or leased from housing providers under a managing agent agreement.

2. Who do we deliver this service / function / policy for?

In 2022-23, 1,363 people used our homelessness prevention accommodation.

During winter 2022-23, 100 people were also offered overnight accommodation during extreme weather, 44 of these were via short-term spaces that commissioned providers offer on an ad-hoc basis.

The outreach team supported 286 people who were found sleeping rough over the last year.

Many of the people who access these services have multiple needs. Accommodation services provide an important safe space from which to provide support and link people into the right services.

3. Why do we deliver this service / function / policy?

The [Homelessness Reduction Act 2017](#) places duties on local authorities to ensure that everyone who is homeless, or at risk of homelessness, has access to help. This support must be offered irrespective of a person's priority need status if they are eligible for assistance.

This support is provided in line with the Homelessness Reduction Act, for those with eligible needs in the city who have a local connection to Newcastle. For anyone without a local connection to the city we provide support to help them reconnect to their local area.

Homelessness prevention services are commissioned in the context of:

- [Newcastle's Homelessness and Rough Sleeping Strategy 2020-25](#)
- [Newcastle's Council of Sanctuary Strategy](#)
- Our aim with Collaborative Newcastle partners to ensure that we support people: off the street, into a home, and to sustain a home.

4. How much do we currently spend on this service / function / policy?

Gross expenditure: £3,289,091

Gross income: £387,680

Net budget: £2,901,411

Comments: Income is a contribution from the Public Health grant.

5. How many people do we employ to deliver this service / function / policy?

Number of posts: 0

Number of full-time equivalent officers: 0

Comments: These services are delivered by third party providers on behalf of the council, we do not employ people to deliver these services.

Section B: Proposal for future service

1. How do we propose to change the service / function / policy?

We propose to fully review the homelessness prevention services we commission, and in doing so reduce the funding required.

Current contracts are due to end on 30 September 2024. It is our intention to work with people with lived experience, providers, and Collaborative Newcastle partners to review how our whole system can best respond to homelessness within the available funding prior to the current contracts ending.

We will continue to prevent and relieve residents risk of homelessness and meet our statutory duties.

This proposal will require a coordinated, city-wide response across support providers, housing providers, social landlords (including Your Homes Newcastle), and colleagues across the council, including across housing, and adult and children's social care. It will also need to be heavily informed by people with lived experience of homelessness in our city.

Please note: This proposal should be read in conjunction with the IIA for Supporting Independence Scheme.

2. What evidence have we used to inform this proposal?

In developing this proposal we have drawn evidence from:

Newcastle Gateway

Our service data shows us that services are well used. This data also tells us that there may be improvements we can make to reduce the length of stay people experience in short-term accommodation, and to increase the number of people moving on to independence rather than moving on to a different type of supported accommodation.

Joint strategic needs assessment

This shows us that the city population has grown by 7% over the last 10 years. With a growing population we need to review our existing provision to ensure it is as effective as it can possibly be in preventing homelessness, and supporting people to live independently.

National homelessness tables

Data provided by the Department for Levelling Up, Housing and Communities shows that expenditure on temporary accommodation has increased in many parts of the country. This makes it important for us to review our existing provision to ensure it remains fit for purpose.

3. What will be the financial impact of this proposal?

It is proposed to reduce the gross expenditure on homelessness prevention contracts from £3,289,091 per annum to a maximum annual aggregated contract value of £1,644,546 effective from 1 October 2024.

To achieve this saving, we will consult with providers, people with lived experience, and partners to understand where efficiencies can be made whilst having the least impact on local people.

4. What will be the impact upon our employees of this proposal?

Number of FTE: 0

% of workforce: 0

Comments: The council does not employ people to deliver this service. We will work with commissioned providers to ensure any impact on their employees is minimized as much as possible.

Section C: Consultation

1. Who did we engage with to develop this proposal?

Who we have engaged with to develop this proposal: colleagues in our Active Inclusion Unit and Public Health Team.

When / how: October 2023 as part of the council's budget planning process.

Main issues raised: potential for longer term costs if the remaining accommodation cannot meet demand. Potential for an increase in rough sleeping if remaining accommodation cannot meet demand.

2. Who do we want / need to engage with during consultation?

Who want to engage with during consultation: people with lived experience, Community Safety, Public Health, commissioned service providers, statutory partners including Collaborative Newcastle, voluntary sector partners, retail business and other city centre residents who may be impacted by this proposal.

When / how: specific consultation events, including using existing forums to engage with partners such as Collaborative Newcastle delivery groups, the Homelessness Prevention Forum, Drug and Alcohol Partnership and #BuildingBridgesNewcastle

3. Who provided feedback during the consultation process? (to be completed post-consultation)

Who provided feedback in the consultation process: to be completed post-consultation.

When / how: to be completed post-consultation.

Main issues raised: to be completed post-consultation.

Section D: Impact assessment

The section below sets out actual or potential disadvantages or benefits that may arise from implementing this proposal. This assessment is set out for people with characteristics protected by the Equality Act 2010 and other broader areas of potential impact.

People with protected characteristics

Age

Type of impact: Actual / potential disadvantage.

Detail of impact: Gateway data shows that in 2022-23:

- young people aged 16-24 represented 11% of admissions into commissioned services (this includes admissions into provision commissioned specifically for 16-24 year olds and provision for people aged 18 and over).
- 1% of admissions were for people aged 65 and older.
- the majority of admissions were for people aged 25-64 (88%).

This proposal will have an impact on all ages, but may have a disproportionate impact on young people who use these services.

How will this be addressed or mitigated?: We will seek to offer a proportionate number of bedspaces to reflect age profiling and work with colleagues in adult and children social care to explore alternative age appropriate placements.

Disability

Type of impact: Actual / potential disadvantage.

Detail of impact: A reduction in bedspaces will have a direct impact on all disabled people who experience homelessness and those physically disabled may experience a reduction in choice and access to compliant accommodation. Our commissioned provision is used by many disabled people. In 2022-23 this included:

- 654 admits where a mental health need was identified on the assessment.
- Six admits were for people who identified as requiring a wheelchair or disabled access.
- 342 admits where a physical health need was identified.
- 11 admits where the household had a hearing or sight impairment.
- 145 admits where a learning disability was identified on the assessment.

We generally only hold the information people disclose; therefore, this is likely to be an under representation. Being homeless is a cause of vulnerability that can exacerbate the needs of people with a protected characteristic.

How will this be addressed or mitigated?: We will ensure that new commissioned provision provides accessible, compliant units of accommodation, and we will ensure that information, advice and guidance shared by service providers is in an inclusive and accessible format.

Gender reassignment

Type of impact: Actual / potential disadvantage.

Detail of impact: [Research carried out by Stonewall in 2017](#) found that transgender people often face a lack of support from their families and are at high risk of experiencing homelessness and domestic abuse, with one in four transgender people (25%) have experienced homelessness at some point in their lives. A reduction in bedspaces may have a direct impact on people who are transgender or who identify as non-binary where they may request single occupancy non-sex specific accommodation, as these options are likely to be limited under this proposal. Whilst we only hold data that people choose to disclose to us or as part of an assessment, in 2022-23 this data shows that four people were admitted to our homelessness accommodation who identified as a gender that was not the same as the gender they were assigned with at birth.

How will this be addressed or mitigated?: We will continue to work with providers to ensure the support needs of individuals who have undergone gender re-assignment are understood and supported to reduce their risk and threat of homelessness. If requested during the homeless

application process, we will seek to identify single occupancy accommodation rather than gender specific accommodation. We will set out in service specifications that front-line staff should be trained and competent in understanding and meeting the needs of the LGBTQ+ community.

Sex

Type of impact: Actual / potential disadvantage.

Detail of impact: Information from Gateway for 2022-23 shows that women represent 26% of admissions into commissioned services, and a reduction in bedspaces will have an impact on the provision of safe, sex specific accommodation.

How will this be addressed or mitigated?: We will ensure that the requirement for sex specific accommodation is included in the service specification, and that links into specialist support services for domestic abuse, drug and alcohol treatment and recovery, sex work and sexual exploitation are embedded in service delivery.

Marriage and civil partnership

Type of impact: Actual / potential disadvantage.

Detail of impact: Current services include some provision for couples. A reduction in bedspaces could mean that married people or people in civic partnerships are split up and offered separate accommodation.

How will this be addressed or mitigated?: We will seek to ensure that couples accommodation is included in the reduced bedspace capacity by specifying this in the service specification. Whilst we only hold data that people choose to disclose to us or as part of an assessment, in 2022-23 this data shows that there were 18 admits into our commissioned provision where people were married / cohabitating.

Pregnancy and maternity

Type of impact: Actual / potential disadvantage.

Detail of impact: Information held in Gateway on admissions into commissioned provision in 2022-23 shows that seven women accessing services were identified as being pregnant when assessment was completed. The impact on pregnant women must be considered in the context of the heightened risks as described in the 'sex' protected characteristic above.

How will this be addressed or mitigated?: We will ensure that the requirement for gender specific accommodation is included in the service specification, and will seek to offer appropriate and safe accommodation to meet the needs of the expectant mother, which may require a placement outside of commissioned homelessness prevention accommodation.

Race and ethnicity

Type of impact: Actual / potential disadvantage.

Detail of impact: Information held in Gateway on admissions to commissioned provision in 2022-23 shows that 12% of admissions were for people from ethnic minority communities. We currently commission support and accommodation provided to meet the needs of refugees and this proposal will potentially impact on the specialist provision.

How will this be addressed or mitigated?: We will ensure that the service specification includes a requirement for front-line staff to be trained and competent in understanding and meeting the needs of people from ethnic minority backgrounds.

Religion and belief

Type of impact: None.

Detail of impact: Not applicable.

How will this be addressed or mitigated?: Not applicable.

Sexual orientation

Type of impact: Actual / potential disadvantage.

Detail of impact: LGB people are more likely to experience homelessness as not all young people are equally able to remain in their parental home or be sufficiently confident to in shared accommodation where they feel unable to be who they are. Whilst we only hold data that people choose to disclose to us or as part of an assessment, in 2022-23 this data shows that 25 people were admitted to our commissioned provision who identified as LGBTQ.

How will this be addressed or mitigated?: We will ensure that the requirement for single occupancy in addition to communal living environments is included in the service specification, and that links into specialist support services for domestic abuse, drug and alcohol treatment and recovery, sex work and sexual exploitation are embedded in service delivery, and that front-line staff are trained and competent in understanding and meeting the needs of the LGBTQ+ community.

Other potential impacts

Unpaid carers

Type of impact: None.

Detail of impact: Not applicable.

How will this be addressed or mitigated?: Not applicable.

People vulnerable to socio-economic impacts

Type of impact: Actual disadvantage.

Detail of impact: This proposal relates to a reduction in the accommodation and support available for people who are homeless or at risk of homelessness. People at risk of or experiencing homelessness are also more likely to live in deprived areas, in households with low income, be in low paid employment, face barriers to employment and face multiple deprivation through a combination of these factors. Research from the [Office for National Statistics](#) identified that local areas in England with the highest deprivation had approximately nine times more deaths of homeless people relative to their population than the least disadvantaged areas.

How will this be addressed or mitigated?: We cannot fully mitigate this risk, we will maintain funding of the assertive outreach team at the current levels until at least end March 2025 using the Rough Sleeping Initiative grant. We will continue to work through Collaborative Newcastle to meet the

health needs of people who are experiencing homelessness and promote whole system approaches to provide advice on a range of issues including benefits, debt and housing.

Businesses

Type of impact: Actual / potential disadvantage.

Detail of impact: The budget for homelessness prevention contracts has been significantly reduced in the last ten years from 2013 (£5,262,717 per annum (excluding day centres / drop in but including the outreach team) to 2023 (£3,289,091 per annum (which includes a £185,000 reduction achieved through the removal of floating support); there has been no inflationary or cost of living uplifts applied to the baseline contract values. Third party providers have advised us that the viability of contracts are at risk due to increased costs of utilities, paying their workforce at the Living Wage level and repairs and maintenance of properties caused by violent behaviours of service users. The short-term nature of contractual arrangements has a direct impact on the stability and sustainability of their workforce, which is already challenging due to the low market rate of support workers (average hostel worker salary is approximately £23,000). This proposal will result in job losses, which to some extent have been mitigated under previous budgets through Housing Benefit and increased rents to fund staffing through the care, support and supervision element of exempt accommodation, enabling bed numbers and workforce to be broadly maintained.

Linked to the anti-social behaviour risks described in the impact on Community Safety, businesses include retailers who are negatively impacted by people rough sleeping, discarded drug paraphernalia or equipment, which in turn may prevent people from accessing shops, the city centre in general and impacting on the night time economy.

How will this be addressed or mitigated?: Third-party providers may seek an increase to Housing Benefit, but this would need to be agreed with Revenues and Benefits as non-registered provider accommodation exempt housing benefit above the thresholds only attracts 60% government subsidy. We will engage and consult with the market to further understand the impact of this proposal and work together to identify potential mitigations. We will maintain funding of the assertive outreach team at the current levels until at least end March 2025 using the Rough Sleeping Initiative grant so that there is consistent engagement with people rough sleeping.

Geography

Type of impact: Actual / potential disadvantage.

Detail of impact: When commissioning homelessness prevention services, third party providers will bring accommodation to bear. As the number of bedspaces reduces there remains a risk of concentration of accommodation in specific areas, as some of the assets are owned directly by providers.

How will this be addressed or mitigated?: Service specifications will set out citywide dispersed accommodation requirements, in addition to single site hostels.

Community cohesion

Type of impact: Actual / potential disadvantage.

Detail of impact: Linked to the geography impact, there may be a potential impact on communities where accommodation services are located, as tension between service users and residents may result in anti-social behaviour and complaints.

How will this be addressed or mitigated?: Through the Social Value Outcome Framework we will monitor how commissioned service providers deliver Community Focused and Ethical Leadership practice.

Community safety

Type of impact: Actual / potential disadvantage.

Detail of impact: The number of people rough sleeping in Newcastle has increased over the past 12 months from an average of six to 14 per night. In October 2023 the most people found on a single day was 28. In the first quarter of 2023-24 141 individuals found sleeping rough, of these:

- 45 had existing accommodation available to them.
- Four had offer of accommodation made and accepted.
- Ten had offer of reconnection made and accepted.
- 14 refused accommodation offer, 23 refused reconnection.
- 29 no further contact, two taken into custody, one to hospital.
- 13 declined a discussion of reconnection or accommodation.
- No people rough sleeping because no offer.

This number should be expected to increase, with fewer accommodation options available. Directly related to this is the anti-social behaviour created by a larger street population, including reports and complaints of aggressive begging within the city centre, increased visibility of “rough sleeping” (although this is often the perception associated with people who are begging) and tents, and drug paraphernalia found on the street.

How will this be addressed or mitigated?: We will maintain funding of the assertive outreach team at the current levels until at least end March 2025 using the Rough Sleeping Initiative grant. We will also continue to work with neighbouring authorities to strengthen the reconnection pathway for people without a local connection to Newcastle.

Public Health

Type of impact: Actual / potential disadvantage.

Detail of impact: Homeless Link’s [The Unhealthy State of Homelessness 2022](#) presents findings from 31 Homeless Health Needs Audits (HHNAs), representing 2,776 individuals, noting that people experiencing homelessness suffer from worse physical and mental health than the general population. Their data found an increase from 45% in 2014 to 82% between 2018 and 2021 of people had a mental health diagnosis and that 45% are self-medicating with drugs or alcohol to help them cope with their mental health. They experience barriers to accessing support for physical and mental health meaning an overreliance on emergency health care services, with 48% of respondents having used Accident and Emergency services in the last year: three times more than the general population. The most common reason for hospital admission related to a physical health condition (37%), and 28% related to either a mental health condition. or self-harm or attempted suicide. The research also found that nutrition presents as a big challenge with a third of respondents reporting that on average they eat only one more meal a day.

These risk factors sit across a number of Public Health portfolio’s in Newcastle, and there is a contribution to the homelessness prevention budget, but it must be clear how service provision meets the Public Health Grant conditions. Increased misuse of substances and for people seeing treatment or harm reduction interventions, will also have an impact on the commissioned Newcastle Integrated

Treatment and Recovery service. A reduction in bedspaces will leave more people vulnerable to, or worsened health conditions as more people are faced with rough sleeping.

The reduction will also have an impact on a number of individuals who struggle to access health services. Arrangements currently mean good working pathways with a range of services who provide in-reach to the accommodation services to meet their needs. A loss of bed space will impact this and make it more difficult for services to support individuals around key areas such as their offending needs, substance misuse issues and engagement in treatment and support, mental health and other key physical healthcare support. This will likely mean over reliance on crisis attendance at emergency departments or crisis attendance at other services which reduces key opportunities for meaningful engagement. This will impact health services. It is also difficult to deliver key interventions on the street or in provision if someone does not have a safe place to live.

How will this be addressed or mitigated?: We will continue to work with health partners through contractual arrangements and Collaborative Newcastle to understand how pathways into primary and secondary care can be improved to better respond to people who are homeless, and use #BuildingBridgesNewcastle through co-production with partners and people with lived experience, to explore barriers to accessing support and services, and opportunities through testing new ways of working, seeking to make systemic changes in Newcastle.

Climate

Type of impact: Actual / potential disadvantage

Detail of impact: As the location of accommodation services is not yet known, there is a potential impact of increased travel by between them in the provision of support.

How will this be addressed or mitigated?: Through the Social Value Outcome Framework we will monitor the Green & Sustainable (including Climate Change Mitigation) performance of commissioned service providers.