

**12 March 2018****Agenda Item: 4****REPORT OF THE DIRECTOR OF PUBLIC HEALTH****FUNDING FOR FRIARY DROP IN FROM THE RING-FENCED GRANT****Purpose of the Report**

1. To seek approval for a final extension of the contract with the Friary Drop In ("the Friary") for up to one year, with break clauses, to assist it in identifying alternative funding to secure the future of its services.

**Information*****Friary Drop In***

2. The Friary Drop In is run by a local charity and undertakes a number of activities for the benefit of homeless people. One of these activities is funded by the Council through a contract to provide advice and support services to homeless people.
3. The service comprises a "one-stop" approach on 3 mornings a week from a single location in West Bridgford. It delivers 1-1 assessment of need, specialist advice and practical support regarding housing, benefits, debts and health needs (including signposting to other services that operate within the Friary e.g. GP clinic, substance misuse services) to individuals in crisis situations. Approximately 254 service users per quarter receive information and advice.
4. During 2017, consultation conducted by the Friary with a sample of 73 service users found that:
  - 85% of service users were male and that the age profile spans from people aged 18 through to over 70 years. 88% were single with no dependents.
  - 39% were council or housing association tenants, 25% were in private rental accommodation, 4% had their own home or mortgage, and 5% were in supported accommodation. 17% of service users reported themselves to be rough sleeping, with a further 8% sofa surfing or hostel or no fixed abode.
  - One third of those consulted reported themselves to be not fit for work and a further 12% were unemployed. 5% were in employment. 11% were retired.
  - 10% reported social contact with family and friends less than monthly, and 15% report no ongoing social contact.
  - 27% identified themselves to be residents of Rushcliffe, 4% of Broxtowe, and 7% Gedling. No service users identified themselves to be residents of other parts of the County. 56% identified themselves to be residents of Nottingham City.

- Most service users had been accessing the Friary for many years: 38% for a decade or more, and 21% for between four and nine years. 19% had been accessing the Friary for less than 6 months.
- In most instances, the initial reason for accessing the Friary was for practical help and advice, followed by socialising.

### ***Review of the contract***

5. The activity has been contracted annually for several years since contracts overseen by the former Primary Care Trust were handed on to the Council in 2013. The current contract is due to cease on 31 March 2018.
6. The contracted service is funded from the ring-fenced public health to the value of £17,887pa. According to the accounts for the last full year, the revenue associated with funding this contract represented about 7.5% of the Friary's total income.
7. The evidence from the Friary's own user consultation is that the Friary is a service which is valued by its users and which they identify as contributing towards improved health, self-confidence and reductions in loneliness. Evidence of its contribution to securing benefits, employment and accommodation was not conclusive, but it could be that people who benefit in these ways do not continue to access the service and so are under-represented in the consultee responses.
8. More recent interviews with five users confirmed that there are alternative services within reach of most people (e.g. Emmanuel House and Arches Centre, amongst others). These discussions also highlighted that users find that what they offer complements the Friary but have limited hours of opening, less extensive range of services, and (in regard to one service) an environment which felt unclean or unsafe. In the event that the Friary were to close, these services (or a mixture of them) may represent partial alternatives to meet some needs of some users, but do not currently represent a comprehensive substitute. Given the vulnerability of some service users and the length of time for which some have been accessing the Friary, it is likely that a closure of the Friary would result in distress for some individuals and a potential exacerbation of problems related to self-confidence, isolation and loss of access to advice and support to address housing needs.
9. Balanced against these factors it is recognised that the reductions in the ring-fenced public health grant offers no scope to fund similar provision in mid and north Nottinghamshire, that many service users travel from the city where they are resident, and that it has been difficult to demonstrate the scale of impact on public health outcomes. These considerations lead the Council to conclude that the service does not represent best value for money in terms of the long-term use of the public health grant for people in Nottinghamshire County, and that we should seek to support the Friary to secure alternative funding so that it can continue to make its contribution to the local system.
10. Therefore, in the context of the natural expiration of the contract on 31 March 2018 and the reduced ring-fence grant to the Council, contract meetings with the Friary have routinely included discussion about funding, in which the provider has been encouraged to consider ways to reduce risk to its service users by diversifying its income for this service.

### ***Possible alternative sources of funding***

11. As an organisation whose total income is in the region of one quarter of a million pounds, the Friary has considerable experience in raising and maintaining funding for its charitable work from a variety of sources and is actively pursuing bids for other monies.
12. Alongside this, and in view of the level of use of the service by people travelling from the city, dialogue about its future funding has also taken place between Nottinghamshire County Public Health and the City Council Lead on homelessness prevention strategy, the Nottingham City Director of Public Health, and the former Chief Officer of the Nottingham Clinical Commissioning Group (CCG).
13. The City Council lead on homelessness prevention strategy confirmed that although a bid to the Rough Sleeper Initiative had been submitted to DCLG, this was solely to provide a Street Outreach service to rough sleepers in the county – expanding that which has been funded by Nottingham City Council and delivered in the city. Framework were identified within the bid as the delivery partner of this work and they match-funded the project. Unfortunately, there is no scope for deviating from the model proposed to DCLG in order to provide funding to the Friary. There are no other intentions to provide funding to the Friary from the City Council budget. The City Council also identified that, for some years (and despite acknowledgement that it represents a valuable part of the local system to support people to recover from and prevent homelessness) a similar day centre located within the City boundary (Emmanuel House) has not been deemed to be of sufficient priority to attract funding from City Council. Confirmation has also been received from the former Chief Officer at Nottingham City CCG and from the Director of Public Health at Nottingham City Council that for the foreseeable future their respective financial positions prevent them from funding the Friary.
14. In summary, our understanding is that the Friary has yet to secure sufficient funding to secure the future of its service from April 2018.

### ***A further and final extension of the contract***

15. Therefore, it is proposed that the Council approve a further and final extension of the contract for up to one year, which will require approval for use of unallocated funds from the public health ring-fenced grant in 2018/19 financial year. The contract extension will secure the continuation of the service whilst the trustees pursue alternative sources of funding. Such an extension would be offered on the explicit understanding that it will last for a maximum of 12 months and that the Council reserves the right to terminate it if, as is intended, the Friary were to be successful in securing alternative monies. In any event, no further funding would be available from the public health ring-fenced grant beyond 31 March 2019.
16. The alternative is to let the current contract terminate at its natural expiry on 31 March 2018 in accordance with the contract terms. Unless the Friary secures alternative funding it is likely that this will precipitate a scaling back or closure of the Friary and an erosion of its capacity to pursue and secure other sources of revenue.

### **Reasons for Recommendation**

17. The authority must be satisfied that the use of the public health grant results in a significant impact on public health in Nottinghamshire County. The service has not been able to show sufficiently clear and strong links with public health outcomes. It is not affordable for the Council to fund equitable provision elsewhere in the County. Some service users travel from the city, but commissioners in the city withdrew funding from a similar service there and are not in a position to prioritise fresh funding.
18. However, the Friary represents an important asset in the local system, is valued by service user, and is pursuing alternative sources of funding. It is considered a reasonable measure to offer a final further extension of the contract for up to one year in order to maximise the opportunity for the Friary to secure funding for the longer term.

## **Statutory and Policy Implications**

19. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **Financial Implications**

20. Paragraph 9 above explains the context of the wider Public Health budget and the necessity to seek budget savings. The value of this contract is £17,887 which would form a potential contribution towards required budget savings. A decision to extend the contract for up to one year would require the use of unallocated funds from the public health ring-fenced grant in 2018/19.

## **Implications for Service Users**

21. In the event that the Friary is unable to secure or reallocate funding, the likely impact of expiration of the contract would be that the service will cease, resulting in a reduction in access to specialist advice, signposting to other services and practical support for this vulnerable group of service users.

## **RECOMMENDATION**

- 1) To approve a final extension of the contract with the Friary Drop In for up to one year, with break clauses, to assist it in identifying alternative funding to secure its future for the benefit of service users and the local system.

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### **Constitutional Comments (LMC 07.02.2018)**

22. The Adult Social Care and Public Health Committee is the appropriate body to consider the contents of the report.

### **Financial Comments (DG 07.02.18)**

23. The financial implications are contained within paragraph 20 of this report.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- 'None' or start list here

### **Electoral Division(s) and Member(s) Affected**

- 'All' or start list here