

Briefing note to	Resources O&S Committee – 10 th September 2020
From	Julie Griffin, Assistant Director Housing (Acting), Neighbourhoods Directorate
Date	01 September 2020
Subject	Housing Services

Housing Service

Increasing demand for temporary accommodation;

Temporary accommodation demand has and continued to increase nationally and steadily since 2010. The MHCLG has reported in England, that on 31st March 2020, the total number of households in temporary accommodation was up 14.2%, outside of London, compared to a year earlier on 31st March 2019. This increase is driven by single households which is also linked to the initial part of people housed in emergency accommodation during the start of COVID-19 'Everyone in' scheme.

There has been an increase in demand and occupancy in temporary accommodation during the pandemic. Lower numbers of households have been leaving temporary accommodation, the majority of which are moves into permanent accommodation. There continues to be approximately 80 households who are rough sleepers and those that have no recourse to public funds (NRPF).

There is sufficient emergency accommodation to cope with the current demand although this is becoming stretched. Arrangements have been made to source and fund additional B&B and 50 dispersed units. There does however remain a shortage of self-contained accommodation due, in part to the effects of COVID-19 on our contractors, who have taken longer than envisaged to resume business as usual. This is being closely monitored.

A report "Working with the private sector to deliver temporary accommodation solutions" is due to be considered by Cabinet on 13 October 2020.

The delay in implementation of the new operating model resulting in non-delivery of ongoing savings.

The delivery of savings will be achieved, and mitigations are in place. The savings are being made through temporary accommodation efficiencies and will not be made through the new operating model. The new model will primarily focus on preventing homelessness negating the need for homeless families to be accommodated in temporary accommodation.

The new operating model staff consultation was due to commence in April 2020. This has however been delayed due to the pandemic. Informal consultation with trade unions is proceeding and formal consultation is now scheduled to commence in October 2020.

Housing Improvement Programme slippage

At this present moment we are still predicting we will spend the capital investment budget; it is too early to advise other than this.

Current financial position and mitigations to Increased demand for temporary accommodation and the savings target

The pressures identified in the 2019/20 Outturn report for temporary accommodation were addressed in the 2020/21 budget setting process. An additional budget of £3.8m was allocated to support the demand.

The current pressures of £6.6m forecast for temporary accommodation are all relating to Covid-19. These are due to the following reasons:

- £1m – Additional costs covering accommodation and support for rough sleepers, food packages and additional staffing through agency
- £1.6m – It is anticipated that the exit strategy for those rough sleepers identified in the initial response will take to the end of the financial year
- £4.0m – Potential increase in demand from homelessness and domestic violence cases, reduced capacity required to adhere to social distancing at our hostel, Bushmere and the limited scope to move people on from temporary accommodation due to lockdown

A new operating model is intended to focus on preventative and early intervention work which will result in a reduced demand for temporary accommodation placements. This is now expected to be implemented from April 2021 and therefore one-off mitigating actions have been identified to meet the saving in this financial year. The delay in its implementation is due to the increase demand to tackle Covid19 pressures.

One -off mitigations of £1.5m within Housing Options has been identified to address the savings target, which includes the freezing of vacant posts, additional use of dispersed properties, cost savings in the PSL budgets and a reduction in the average weekly cost of bed & breakfast placements.

Ongoing savings will be met by the implementation of the new operating model which will focus on prevention and early intervention and so reduce the demand for bed & breakfast placements.