

Finance and Resource Committee

10.00am, Thursday, 29 October 2020

Homelessness Services – Use of Temporary Accommodation

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 This report seeks approval to enter into spot contracts for temporary accommodation comprised of flats, bed and breakfasts and tourist hotels on a spot purchase basis for the period to 31 March 2021, to supplement the current contracted provision of accommodation.
- 1.2 The Policy and Sustainability Committee previously approved waivers to the value of £9.29m on 25 June 2020.
- 1.3 Committee is requested to approve the additional waivers totalling £3.504m and note that £0.785m of waivers previously approved are no longer required.
- 1.4 Committee is asked to note the increased use and cost of temporary accommodation during the pandemic to 31 March 2021.

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Homelessness Services – Use of Temporary Accommodation

2. Executive Summary

- 2.1 During the Covid-19 pandemic, the Council has used significantly more temporary accommodation in order to support vulnerable people and ensure the spread of the virus is minimised amongst the homeless population.

3. Background

- 3.1 Since the beginning of lockdown restrictions, the Council has been required to secure additional temporary accommodation to meet public health objectives and manage a lack of throughput into all forms of settled accommodation, to fulfil its statutory duties to homeless people
- 3.2 Some of this additional accommodation has been part funded by the Scottish Government, for example, £0.162m was received towards the cost of opening the Old Waverley Hotel in order to accommodate rough sleepers.
- 3.3 Additional funding of £0.216m has also been provided by the Scottish Government to partly mitigate the costs of the Haymarket Hub for the period October 2020 – May 2021.

4. Main report

- 4.1 During the period of Covid-19 restrictions, the Council has secured access to around 590 additional bed spaces, which could be used to accommodate homeless people on an ongoing basis whilst required.
- 4.2 In February 2020, pre Covid-19 restrictions, the average number of households in temporary accommodation was 2006. At the beginning of August 2020 there were 2,581 households in temporary accommodation, excluding the Private Sector Leasing Scheme (PSL). The number of households requiring assistance continues to rise.

- 4.3 The increase in temporary accommodation use is mainly a result of three factors: the provision of additional accommodation for those rough sleeping, the provision of temporary accommodation for people who may have no recourse to public funds and a lack of move on or settled accommodation.
- 4.4 Pre Covid-19, rough sleeping counts indicated that around 80 to 120 people slept rough in the city each evening. Throughout the pandemic street based outreach has continued and at one stage it was estimated that the numbers of rough sleepers each evening were in single figures.
- 4.5 At present, it is estimated that around 90 people are rough sleeping regularly, around half are UK Nationals and half Non-UK Nationals.
- 4.6 All are known to services and it is reported that some are long term rough sleepers and some are in and out of rough sleeping. Efforts continue to try and assist them into accommodation.
- 4.7 During the pandemic, to support public health objectives, the Council has accommodated approximately 80 people, and approximately 50 at any one time, who may have no recourse to public funds.
- 4.8 The Council is working with a range of partners to provide accommodation, support and advice to this group. The support includes translation services, housing support, advocacy support and where appropriate repatriation.
- 4.9 The Scottish Government has written to the UK Government to request legislative changes and financial support to ensure services to this group can be maintained post pandemic.
- 4.10 When there is no longer a public health requirement to accommodate these people, the Council will need to decide how to manage these cases. A report on the Council's legal position was considered at the Housing, Homelessness and Fair Work Committee on 3 September 2020, with a further report highlighting the supports provided to date to be presented on 5 November 2020.
- 4.11 Full consideration of these options and the support that the Council will continue to provide will be progressed through the Council's adaptation and renewal programme, as agreed by committee.
- 4.12 Throughput from temporary accommodation services has slowed during the pandemic across all tenures including alternative temporary accommodation, the private rented sector and social housing.
- 4.13 Due to the pandemic, the Council and RSL landlords had to cease advertising and letting homes to protect customers and staff. It was not possible for viewings of properties to take place and peripheral services; such as furniture removals, utility connections, were not available to enable people to move into permanent homes.
- 4.14 The Council and RSLs have continued, with the homelessness team to provide temporary accommodation and support urgent moves where possible. For example, during this period the Council and its partners have made around 40 homes, either mid-market rent or general stock, available for use as temporary

accommodation. This ensured that the Council could move all families out of B&B's and Shared Houses.

- 4.15 As part of the services strategy to increase the level of private rented temporary accommodation and reduce the use of bed and breakfast and other unsuitable accommodation, additional self-contained accommodation has been added to existing contracts or spot purchased since March 2020. This has increased short term let accommodation from 480 to 710 in the period 1 March 2020 – 1 July 2020, an increase of 48%.
- 4.16 Of the additional properties secured, 140 are deemed to be short-medium term and will in due course be expected to return to use as holiday accommodation; recently, some indicated they are unlikely to require them back and are keen to consider more long term arrangements.
- 4.17 The Rapid Rehousing Transition Plan (RRTP) seeks to reduce short term lets and private rented temporary accommodation by the end of five years (see Appendix 2 for Social Accommodation projection)
- 4.18 The pandemic has enabled opportunities for further additional properties traditionally used for holiday accommodation, initially some were interested in short term let but are now considering longer term. Landlords have been given PSL contract information, some have been taken on by accommodation providers from the Private Rented Accommodation contract and others spot purchased.
- 4.15 Across the social letting sector, following government advice around staying at home, terminations of tenancies fell significantly, meaning fewer homes were available to let. There has also been limited capacity for homeless households to move into empty homes due to difficulties with getting utility connections and furniture removals.
- 4.16 Returning homes to use is recognised as a priority to support demand for housing for people in extreme need as part of the immediate response and through the recovery phases of lockdown.
- 4.17 Social landlords have reviewed the re-let process to minimise face to face contact, where possible and safe working requirements have been introduced to minimise the risk to staff and the public. Homes have continued to be progressed to complete essential repairs, resolve any utility meter issues and supplies, for households moving in.
- 4.18 As we progress with moving households into permanent homes it will be necessary to take full account of individual household circumstances; including their ability and willingness to move at this time. Consideration is also needed around assistance to enable households to access any personal or household belongings or secure them, as unlike temporary accommodation their new homes will be unfurnished. The Welfare Fund is an option to assist families who need help to furnish properties and assistance with deposits.
- 4.19 The weekly advertising of available homes on Key to Choice has now been restarted with the first homes on the website for the public to bid on from 3.30pm on Friday 26 June.

- 4.20 Advertising of available Council homes will target and prioritise homeless households and partner landlords have been requested to do likewise to continue to support positive outcomes for homeless households into permanent housing with the housing associations in Edinburgh.

5. Next Steps

- 5.1 Homeless households will be prioritised for available social rented housing; supporting access to settled homes for vulnerable people and reduced costs to the Council.
- 5.2 The Council will continue to liaise with civil servants to obtain the Scottish Governments position on the continued provision of support to people who may have no recourse to public funds.

6. Financial impact

- 6.1 Through the 2020/21 budget process additional funding of £2m was provided to address recurring homelessness pressures and prior to the Covid-19 pandemic, the service expected to be within budget this financial year. Scottish Government funding will provide partial mitigation against the additional temporary accommodation costs incurred as a result of the pandemic.
- 6.2 Additional temporary accommodation costs relating to Covid-19 amounted to £3.0m up to 31 August 2020 and are forecast to cost £9.3m for the full financial year.
- 6.3 Temporary accommodation services have been included in a Council wide financial assessment of the additional costs being incurred in response to the pandemic.
- 6.4 There is a projected increase of 193,000 bed-nights in bed and breakfast/ shared house and interim accommodation provision in 2020/21, compared with 2019/20.
- 6.5 The increased use of temporary accommodation has created a significant additional budget pressure, currently projected to be £9.3m. The waivers listed in Appendix 1 are reflected in this projected pressure, and the pressure has been included in a separate finance update report to this committee.
- 6.6 A list of waivers totalling £9.290m approved by Policy and Sustainability Committee on 25 June 2020, is also included in Appendix 1.
- 6.7 Since then, the use of temporary accommodation has continued to grow. Total waivers required now amount to £12.009m, a net increase of £2.719m. This includes 65 rooms at Haymarket Hub Hotel to be used as a replacement for night shelter accommodation, due to Covid-19 restrictions, at a gross cost of £0.703m for the accommodation or £0.460m after estimated staff costs, security, housing benefit and an application made for Scottish Government grant funding. The Scottish Government have agreed to contribute £0.216 to this centre.

- 6.8 The UK government recently announced £105m of additional funding for local authorities in England and Wales to help address rough sleeping. However, the Scottish Government has confirmed that Barnett consequential will not pass directly to local authorities.

7. Stakeholder/Community Impact

- 7.1 This is an update report and did not require any specific stakeholder engagement.

8. Background reading/external references

- 8.1 Not applicable.

9. Appendices

- 9.1 Appendix 1 - Costs of off contract spend in temporary accommodation.
- Waiver amounts which have already been authorised until end of March 2021 and additional waivers of £3.504m now requested
- 9.2 Appendix 2 - Estimated Social Housing Supply – Five-year Projection.