

# Finance and Resource Committee

10.00am, Thursday, 16 June 2022

## Homelessness Services – Use of Temporary Accommodation

Executive/routine  
Wards  
Council Commitments

Executive

### 1. Recommendations

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- 1.1 It is recommended that Finance and Resources Committee:
- 1.1.1 Approve, through a waiver of the Council's Contract Standing Orders (CSOs), extending 39 current contracts for the provision of temporary accommodation. This arrangement covers the period 1 July 2022 to 31 March 2023, up to a cost of £14,374,427 using a spot purchase arrangement (Appendix 1 (B Agenda)); and
  - 1.1.2 Note that the values requested per provider are indicative only and are dependent on accommodation requirements, therefore Committee is asked to grant delegated authority to the Executive Director of Place to adjust (within the agreed budget) the values between the named providers as necessary depending on need, type and appropriateness of properties available from these providers.

**Paul Lawrence**

Executive Director of Place

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## Homelessness Services – Use of Temporary Accommodation

### 2. Executive Summary

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- 2.1 During the COVID-19 emergency, the Council has been required to significantly increase the amount of temporary accommodation available to meet demand. There continues to be a demand for additional temporary accommodation to allow the Council to meet its statutory duty to accommodate people who are homeless.
- 2.2 At Finance and Resources Committee on [3 March 2022](#) committee approved, through a waiver of the Council's Contract Standing Orders (CSOs), expenditure of up to £5,221,174 for the period 1 April – 30 June 2022 plus an additional £3,170,390 for the Haymarket Hub to 31 March 2023.
- 2.3 This report seeks approval, through a waiver of the Council's Contract Standing Orders (CSOs), to extend 39 current contracts for the provision of temporary accommodation for the period 1 July 2022 to 31 March 2023, totalling £14,374,427 on a spot purchase arrangement, 2 Contracts are no longer required (the affected contracts are noted in Appendix 1 on the B Agenda).

### 3. Background

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- 3.1 Since the beginning of COVID-19 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 During the period of the COVID-19 restrictions, the Council has secured access to an additional 1,169 placements to meet demand and accommodate households that are homeless. Pre-pandemic there were 3,570 households in temporary accommodation. This has risen to 4,739 in April 2022 an increase of 33%.
- 3.3 In addition, 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. Main report**

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- 4.1 The increase in temporary accommodation use is mainly a result of three factors: provision of additional accommodation for those rough sleeping; provision of temporary accommodation for people who may have no recourse to public funds; and a lack of move on or settled accommodation.
- 4.2 This report seeks approval to continue to use 39 current providers on a spot purchase basis in the short term to meet demand. The cost is expected to be £14.374m (at current prices) for the period 1 July 2022 to 31 March 2023. The number of spot purchases will reduce over time as contract awards for providers who have been admitted to the Flexible Purchasing System (FPS) are made, negating the ongoing need for spot purchases.
- 4.3 22 of the current providers have applied and have been successfully admitted to the FPS. Contract awards will begin to be made to these providers once all documentation and certifications are in place, however, the estimated level of expenditure is consistent with the request contained within this report.
- 4.4 While these contracts are being progressed, Committee is asked to agree that these services can be spot purchased until such time as the new contracts begin.

## **5. Next Steps**

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- 5.1 Officers will continue to progress the work required to award contracts as part of the FPS and will continue to encourage providers to apply who have not applied to be part of the FPS.
- 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**

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- 6.1 Through the 2022/2023 budget process additional funding of £17.6m, relative to the 2019/2020 budget, was provided to address the increase in temporary accommodation costs as a result of the COVID-19 pandemic.
- 6.2 The waivers outlined in Appendix 1 (B Agenda) reflect the continuation of the existing levels of service in the expectation that this will be required throughout this financial year.
- 6.3 The overall financial position of Homelessness Services will be closely monitored throughout the year and reported to the relevant committees.

## **7. Stakeholder/Community Impact**

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

## **8. Background reading/external references**

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8.1 None.

## **9. Appendices**

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9.1 Appendix 1 – B Agenda - Waivers from 1 July 2022 to 31 March 2023.