

# Finance and Resource Committee

10.00am, Thursday, 10 November 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 £3,971,810, 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 reported period 5 forecast) 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. In addition, further pressures are apparent in relation to claims for increased rates due to inflationary pressures.
- 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 At Finance and Resources Committee on [16 June 2022](#) committee approved, through a waiver of the Council's Standing orders (CSOs), expenditure of up to £14,374,427 for the period 1 July 2022 to 31 March 2023.
- 2.4 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, on a spot purchase arrangement. This is a net increase of £3,971,810 resulting in a revised annual requirement of £26,737,802 as set out in Appendix 1.

### 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 demand and manage a lack of throughput into all forms of settled accommodation, to fulfil its statutory duties to homeless people.
- 3.2 Pre-pandemic there were 3,570 households in temporary accommodation. As of 30 September 2022, there were 4,778 households accommodated. This is an increase of 1208 households, an increase of 34%.

- 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 This report seeks approval to continue to use 39 current providers on a spot purchase basis in the short term to meet demand. The additional net cost is expected to be up to £3,971,810 for the period 1 July 2022 to 31 March 2023.
- 4.2 This is in response to energy inflationary pressures and the increased number of households in temporary accommodation.
- 4.3 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.
- 4.4 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.
- 4.5 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.

## **6. Financial impact**

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- 6.1 Through the 2022/2023 budget process additional funding of £17.6m, relative to the equivalent 2020/2021 budget, was provided to address the increase in temporary accommodation costs as a result of the COVID-19 pandemic. As reported elsewhere on this agenda, further pressures totalling £8.0m are now apparent in 2022/2023.
- 6.2 The waivers outlined in Appendix 1 (B Agenda) reflect the assumed growth as set out in the month 5 forecast.
- 6.3 The financial implications of this additional request of £3,971,810 have been factored into the month 5 revenue forecast for Homelessness Services as reported to this committee.

## **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 April 2022 to 31 March 2023.