

# Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 2 September 2021

## Homelessness and Housing Support - Revenue Outturn 2020/21 and Revenue Monitoring 2021/22 – month three position

Executive/routine Wards Council Commitments	Routine All
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### 1. Recommendations

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- 1.1 Members of the Housing, Homelessness and Fair Work Committee are asked to note:
  - 1.1.1 An overall net residual budget pressure of £2.562m for Communities and Families at month three; and
  - 1.1.2 That this pressure includes a net residual budget pressure of £1.2m for the Homelessness and Housing Support service.

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# Report

## Homelessness and Housing Support - Revenue Outturn 2020/21 and Revenue Monitoring 2021/22 – month three position

### 2. Executive Summary

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- 2.1 The report sets out the 2020/21 revenue outturn and 2021/22 projected month three revenue monitoring position for the Homelessness and Housing Support service, based on analysis of actual expenditure and income to the end of June 2021, and expenditure and income projections for the remainder of the financial year.
- 2.2 The projected net residual pressure of £1.2m in 2021/22 is part of an overall net residual pressure of £2.562m for Communities and Families.
- 2.3 Work is ongoing to identify mitigating measures and to change the current mix of temporary accommodation, reducing the reliance on expensive and unsuitable accommodation. The service is also actively implementing preventative services to support households and avoid the need for them to enter temporary accommodation.

### 3. Background

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- 3.1 The following commentaries are based on the position as of the end of June and, as such, reflect organisational structures as of that point. Subsequent forecasts will reflect the transfer of functions and associated changes in senior management responsibility underpinning the organisational restructuring approved by Council on 27 May 2021.
- 3.2 The 2020/21 net budget for Homelessness and Housing Support was £30.7m and this has increased to £43.9m in 2021/22 to take account of the increased use of temporary accommodation during the COVID-19 pandemic.
- 3.3 This report sets out the 2020/21 revenue outturn and the projected position for the Homelessness and Housing Support revenue budget for 2021/22.

## 4. Main report

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### 2020/21 Outturn

- 4.1 A forecast pressure of £9.3m was reported to the Committee meeting of [18 March 2021](#) based on the month 9 position. The outturn position was a reduced pressure of £8.839m primarily due to more housing benefit being received than previously forecast. This pressure was a result of the impacts of the COVID-19 pandemic and due to three main 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 across all tenures.
- 4.2 The households in temporary accommodation increased from 3,570 in March 2020 to 4,431 in March 2021, an increase of 24%. The majority of this increase was supported within more expensive forms of temporary accommodation such as Bed and Breakfast and shared accommodation.

### 2021/22 - month 3 forecast

- 4.3 To acknowledge the ongoing financial impact of the growth seen in 2020/21 the Council approved additional funding of £12m for 2021/22. In addition, a further amount of £0.4m was approved to increase preventative services which is being utilised alongside £0.563m of additional COVID-19 related Rapid Re-housing Transition Plan (RRTP) funding provided by the Scottish Government.
- 4.4 The households in temporary accommodation have reduced slightly since March but this is due to the closure of the Welcome Centre which was provided during the October 2020 – May 2021 period. The number of households in temporary accommodation at the end of June 2021 was 4,413. The Welcome Centre will re-open in October 2021 and be provided to May 2022.
- 4.5 Based on expenditure for the April to June period, and assuming the same level of provision and unit costs for the remainder of the year, there is a forecast residual pressure of £1.2m.
- 4.6 To operate within the approved budget for 2021/22 there is a requirement to reduce current costs, which can be achieved through a reduction in households in temporary accommodation, reduced unit costs, changes in the mix of temporary accommodation or a combination all factors.
- 4.7 The financial impact for the remainder of 2021/22 will depend on a number of factors such as: the number of homeless presentations as restrictions are relaxed, how quickly allocations to permanent accommodation can be made, the implementation of new legislation relating to the removal of local connection, Scottish Government requirements regarding support for clients with no recourse to public funds, unit costs for temporary accommodation and the rate at which changing the mix of temporary accommodation towards more efficient and suitable accommodation can be achieved and the impact of new preventative services.

## **5. Next Steps**

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- 5.1 Work is ongoing to identify mitigating measures and to change the current mix of temporary accommodation, reducing the reliance on expensive and unsuitable accommodation.
- 5.2 The service is actively implementing preventative services to support households and avoid the need for them to enter temporary accommodation. Services are also being implemented to target households currently in temporary accommodation to ensure all options are being considered in assisting them, where appropriate, to achieve a settled tenancy. The impact of these services will be actively monitored and reported to the Council Leadership Team on a regular basis.
- 5.3 Officers will continue to seek to identify appropriate properties for use as Home Share as instructed by members.
- 5.4 Officers will work with partners and landlords in the city to increase the amount of suitable temporary accommodation available.

## **6. Financial impact**

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- 6.1 The report highlights the 2020/21 outturn position of an £8.839m pressure due to the impact of the COVID-19 pandemic.
- 6.2 The report highlights that additional funding of £12m was approved for 2021/22 to address the ongoing impacts of COVID-19 and at month three there is a residual forecast pressure of £1.2m. This is included in the overall net residual budget pressure of £2.562m reported for Communities and Families.
- 6.3 This position is subject to active monitoring, management of risks and identification of further mitigation.

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

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- 7.1 There is no direct relevance to the report's contents. A detailed report summarising the response to the Council's engagement on budget priorities for 2021/22 and beyond was considered by the Finance and Resources Committee on 2 February and referred on to Council as part of the 2021/22 budget-setting meeting. There is no direct relevance of the report's contents to impacts on carbon, adaptation to climate change and sustainable development. The Council's revenue budget includes expenditure impacting upon carbon, adaptation to climate change and contributing to sustainable development. In addition, all budget proposals are now subject to an upfront assessment across these areas.

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

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- 8.1 None

## 9. Appendices

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9.1 None