

Finance and Resources Committee

10.00am, Friday, 10 March 2023

Homelessness Services – Use of Temporary Accommodation

Executive/routine Wards Council Commitments	Executive All
---	------------------

1. Recommendations

- 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. The cost is expected to be up to £16,798,306. This relates to £3,164,153 for the period 1 April 2023 to 30 June 2023 for bed and breakfast (B&B) providers and £13,634,153 for the period 1 April 2023 to 31 March 2024 for other accommodation providers Appendix 1 (B Agenda).
 - 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

Contact: Jill Thomson, (Interim) Head of Homelessness

E-mail: Jill.Thomson@edinburgh.gov.uk

Homelessness Services – Use of Temporary Accommodation

2. Executive Summary

- 2.1 During the COVID-19 emergency, the Council was required to significantly increase the amount of temporary accommodation available to meet demand. The 2023/24 approved budget reflects expected reductions in the amount of temporary accommodation required. However, the estimated requirement exceeds what has been contracted through the Flexible Purchasing System (FPS) to date and there is a requirement to extend some existing agreements to allow the Council to meet its statutory duty to accommodate people who are homeless.
- 2.2 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. The cost is expected to be up to £16,798,306. This relates to £3,164,153 for the period 1 April 2023 to 30 June 2023 and £13,634,153 for the period 1 April 2023 to 31 March 2024 (the affected contracts are noted in Appendix 1 (B Agenda).

3. Background

- 3.1 During the COVID-19 emergency, the Council was required to significantly increase the amount of temporary accommodation available to meet demand. Pre-pandemic there were 3,570 households in temporary accommodation, and this has risen to 4,730 as at January 2023, an increase of 32%. In addition, the Council is providing 65 rooms at the Welcome Centre to support rough sleepers.
- 3.2 Throughput from temporary accommodation services slowed during the pandemic across all tenures including alternative temporary accommodation, the private rented sector and social housing. This position is improving but has yet to return to pre-pandemic levels.

4. Main report

- 4.1 This request reflects the current level of demand for temporary accommodation but incorporates the expected financial benefits from mitigating actions being

implemented. This includes an increase in the number of Council owned properties available for temporary and settled accommodation, continued increases in the number of Private Sector Leasing (PSL) properties, reductions in the number of households with No Recourse to Public Funds (NRPF), and the impact of the continuation and extension of preventative services.

- 4.2 This report seeks approval to continue to use 39 current providers on a spot purchase basis to meet demand. The cost is expected to be £16,798,306. This relates to £3,164,153 for the period 1 April 2023 to 30 June 2023 for B&B providers and £13,634,153 for the period 1 April 2023 to 31 March 2024 for other accommodation providers. The B&B requirements from July onwards will be assessed over the coming months taking account of demand and the progress of the mitigating actions identified.
- 4.3 The number of spot purchases will reduce over time as contract awards for providers who have been admitted to the FPS are made, negating the ongoing need for spot purchases.

5. Next Steps

- 5.1 Further work to establish B&B requirements from July 2023 onwards will be undertaken and a report will be presented to committee in June 2023 setting these out for the remainder of the year.

6. Financial impact

- 6.1 This request is for £3,164,153 for the period of 1 April to 30 June 2023 for B&B providers and £13,634,153 for the period 1 April 2023 to 31 March 2024 for other accommodation providers. The total request to date is £16,798,306 as detailed in Appendix 1 (B Agenda).
- 6.2 The cost of £16,798,306 can be contained within the 2023/24 approved budget. The requirement takes account of expected reductions in the amount of temporary accommodation required as set out in 4.1 above.

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 [Homelessness Services – Use of Temporary Accommodation](#) - Finance and Resources Committee, 10 November 2022.

9. Appendices

- 9.1 Appendix 1 – B Agenda – Waivers for temporary accommodation for the period 1 April 2023 to 31 March 2024.