

Finance and Resources Committee

10.00am, Thursday, 14 March 2024

Homelessness Services: Use of Temporary Accommodation

Executive/routine
Wards

Executive
All

1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee approve through a waiver of the Council's Contract Standing Orders:
 - 1.1.1 Extending five contracts for the provision of temporary accommodation on a spot contract basis for the period up to 31 March 2024. The additional cost would be up to a maximum of £281,431 (see Appendix 1 B Agenda);
 - 1.1.2 Extending 41 current contracts for the provision of temporary accommodation on a spot contract basis for the period 1 April 2024 – 31 March 2025. The additional cost would be up to a maximum of £24,219,973 (see Appendix 2 B Agenda); and
 - 1.1.3 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 total) 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

- 2.1 During the COVID-19 emergency, the Council was required to significantly increase the amount of temporary accommodation available to meet demand. The 2024/25 approved budget reflects expected reductions in the amount of temporary accommodation required due to mitigating initiatives being taken forward as part of the [Housing Emergency Action Plan](#) agreed at Housing, Homelessness and Fair Work Committee on 27 February 2024.
- 2.2 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.

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 4,957 on 19 February 2024, an increase of 39%.
- 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 Officers have assessed the ongoing requirements for temporary accommodation as part of the annual budget setting process, taking account of demand and the progress of the expected financial benefits from mitigating actions being implemented, including the delivery of the Housing Emergency Action Plan.

- 4.2 This includes an increase in the number of Council owned properties available for temporary and settled accommodation via the ongoing work to reduce the number of voids in Council owned properties, and the impact of the continuation and extension of preventative services.
- 4.3 Having reviewed the projected demand for temporary accommodation, Committee is asked to approve a continuation of the contracts, should this be required, to allow the service to meet its statutory responsibilities. The amount of temporary accommodation required for 2024/25 is heavily dependent on the number of void properties that are brought into use through the Housing Revenue Account (HRA) as part of the work delivering the Housing Emergency Action Plan.
- 4.4 The demand for temporary accommodation is also dependent on the level of new homeless presentations.
- 4.5 There remains an expectation that the mitigating actions from the delivery of the Housing Emergency Action Plan will reduce the requirement for temporary accommodation as the year progresses. It is anticipated that this work will reduce the number of households in temporary accommodation by c500 by March 2025, compared to the December 2023 total of 4,894 households. However, Committee should note the ongoing risks which may impact on this delivery (outlined in the risk section below).

5. Next Steps

- 5.1 Further updates on the progress of the Housing Emergency Action Plan will be reported on a cyclical basis to Housing, Homelessness and Fair Work Committee.
- 5.2 Expenditure will continue to be monitored and the financial impacts will be reported to Finance and Resources Committee as part of the regular financial monitoring reports.

6. Financial impact

- 6.1 The additional cost of £281,431 for 2023/24 can be contained within the Homelessness service month eight forecast position reported to Finance and Resources Committee on 25 January 2024.
- 6.2 The cost of £24,219,973 for 2024/25 can be contained within the approved budget for the Homelessness service. The requirement takes account of expected reductions in the amount of temporary accommodation required as set out in 4.5 above.

7. Equality and Poverty Impact

- 7.1 The Integrated Impact Assessment highlighted some negative impacts on equality, human rights and social-economic disadvantage with regards to the use of bed and breakfast accommodation.
- 7.2 However, the mitigating actions highlighted in this report were found to have positive impacts on these and correspond with the End Poverty Edinburgh Plan action to increase access to a decent home people can afford.

8. Climate and Nature Emergency Implications

- 8.1 As a public body, the Council has statutory duties relating to climate emissions and biodiversity. The Council

“must, in exercising its functions, act in the way best calculated to contribute to the delivery of emissions reduction targets”

(Climate Change (Emissions Reductions Targets) (Scotland) Act 2019), and

“in exercising any functions, to further the conservation of biodiversity so far as it is consistent with the proper exercise of those functions”

(Nature Conservation (Scotland) Act 2004)

- 8.2 The City of Edinburgh Council declared a Climate Emergency in 2019 and committed to work towards a target of net zero emissions by 2030 for both city and corporate emissions, and embedded this as a core priority of the Council Business Plan 2023-27. The Council also declared a Nature Emergency in 2023.

Environmental Impacts

- 8.3 There are no environmental impacts as a direct result of this report.

9. Risk, policy, compliance, governance and community impact

- 9.1 The Council recognises that this is an area of risk as a result of some accommodation noted in this report breaching the Unsuitable Accommodation Order.
- 9.2 Should the Council not provide enough temporary accommodation to meet demand the Council will be in breach of its statutory duty to provide temporary accommodation for people who are homeless or at risk of homelessness.
- 9.3 There is increasing risk to the demand for temporary accommodation through UK and Scottish Government asylum and refugee policy.

10. Background reading/external references

- 10.1 [Homelessness Services – Use of Temporary Accommodation](#) – Finance & Resources Committee 25 January 2024.
- 10.2 [Responding to the Housing Emergency Declaration](#) – Housing Homelessness and Fair Work Committee 27 February 2024.
- 10.3 [Finance and Resources Committee - Month Eight Revenue Forecast 2023/24](#)

11. Appendices

Appendix 1 – B Agenda – Waivers for temporary accommodation 2023/24

Appendix 2 – B Agenda – Waivers for temporary accommodation 2024/25

Appendix 3 – B Agenda – Further information on waivers for temporary accommodation