

Report to	-	Cabinet
Date	-	3 December 2018
Report of the	-	Executive Director
Subject	-	Provision of Temporary Accommodation Update

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**Recommendation:** It be **RESOLVED:** That the Executive Director be authorised to:

- 1) finalise the terms of a licence, in consultation with the Cabinet Portfolio Holder Housing, Welfare and Equalities (including Older People), with a specialist temporary accommodation provider, subject to planning permission being granted; and
  - 2) increase the supply of temporary accommodation through the approval of license agreements on properties elsewhere in the District in the future, as required and in consultation with the Cabinet Portfolio Holder Housing, Welfare and Equalities (including Older People).
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**Head of Service: Joe Powell**

**Lead Cabinet Member: Councillor Mrs Hughes**

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### **Introduction and Background**

1. Members will be aware that the Council's Housing Needs team has seen a significant rise in homelessness in recent years. The number of homeless applications received by the Council has risen by 93% between 2014/15 and 2017/18, from 112 to 216. The number of temporary accommodation placements has risen by 280% from 15 to 57 over the same period. As at October 2018, the number of households in B&B accommodation is 51.
2. All 51 households currently in temporary accommodation have been placed outside the area. The Council was criticised by the Local Government Ombudsman in 2017 who commented that the code of guidance on temporary accommodation would expect the Council to house people within our district. Therefore, the Council is keen to explore options which increase the supply of well-managed temporary accommodation locally.
3. Cabinet approval was granted in July 2017 for the Council to enter into a lease with a property owner in Bexhill to provide temporary accommodation locally (Minute CB17/12 refers). A temporary planning permission granting use of the premises as temporary accommodation for homeless households was later secured. The lease was terminated in September 2018 after the initial 12 month Cabinet approval had expired and the Council wished to secure a more affordable arrangement with the property owner.
4. Now that the initial 12 month trial period on these premises has expired officers propose that a new and more cost effective proposal for the provision of well-managed local temporary accommodation be approved.

## **Proposal**

5. There is a pressing need for the Council to sustain the provision of temporary accommodation at these specific premises as they are currently not in use. The Council has been negotiating with the current owner of the property in order to ensure the premises continue to be used as well-managed temporary accommodation that is also affordable in the long-term.
6. Under the proposed model, the Council will not directly lease accommodation from the property owner. A provider has been found that specialises in temporary accommodation management and currently has over 500 units of accommodation under management in Kent. Kent local housing authorities use the services of the management company to supply temporary accommodation. The Council proposes to enter into a 24 month License Agreement with the specialist temporary accommodation provider who will, in turn, lease the property directly from the property owner.
7. Planning permission has also been sought by the property owner directly to request that the temporary planning permission granted in 2017 be made permanent.
8. The Council also wishes to improve the provision of temporary accommodation locally by expanding the proposed model to include entering into License Agreements with specialist temporary accommodation management providers in other locations in the future, as required.

## **Community Impact**

9. The Council has received no complaints from residents in relation to the premises within the 12 months it was used as temporary accommodation between September 2017 and September 2018. The Council will continue to work with residents alongside the temporary accommodation management provider and Sussex Police to ensure that any incidents of anti-social behaviour are dealt with promptly and effectively. As households will continue to be accommodated under the Council's powers under the Housing Act 1996 (as amended), the Council has the ability to move households immediately to accommodation elsewhere, if required.
10. Given that the accommodation is in a residential area and readily accessible to local services, the Council has agreed with the temporary accommodation management company to only place homeless households with children in the accommodation. This group represent a much lower risk of anti-social behaviour than single households.

## **Financial Considerations**

11. A comparison between the cost of the proposal with the average cost of temporary accommodation elsewhere is shown below:
  - a. For seven units the existing costs including accommodation management is in the order of £300 to £370 per week for two bed accommodation. This gives an annual total expenditure of between £109,200 and £134,700 for seven units.

- b. Proposed Provision – the specialist temporary accommodation provider will provide a fully inclusive management service for £90,000 per annum at the premises, to include:
  - exclusive use for Rother District Council;
  - live-in manager that performs tenancy management and light laundry duties;
  - all bills and repairs

### **Procurement Procedure Rules**

- 12. There is a pressing need to sustain the local temporary accommodation and a procurement waiver has been approved by the Executive Director in this case. All future property management arrangements will be secured following a tendering process.

### **Conclusion**

- 13. There is a statutory obligation for the Council to provide temporary accommodation locally. The Council is also required to minimise the costs associated with accommodating households in temporary accommodation. The recommendation before Cabinet allows the Council to meet these obligations and objectives.
- 14. In order to sustain the use of these premises as temporary accommodation, it is recommended that a licence agreement be signed between the Council and the specialist temporary accommodation provider. It is also recommended that the Executive Director, in consultation with the Cabinet Portfolio Holder for Housing, Welfare and Equalities (including Older People), be authorised to increase the supply of temporary accommodation through the approval of licence agreements on properties elsewhere in the district, in future, as required.

Malcolm Johnston  
Executive Director

### **Risk Assessment Statement**

Currently the Council has no access to suitable temporary accommodation within the district. This contravenes the code of guidance for the use of temporary accommodation. In addition to this reputational risk, the continued use of private accommodation providers also exposes the Council to price volatility as demand is in excess of supply in East Sussex. By securing accommodation for the exclusive use arrangements, the Council can achieve stable costs and access to accommodation.