

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF CABINET ON 9 DECEMBER 2019

SUBJECT: Supplementary Estimate for Nightly Paid Accommodation to meet the Council's Statutory Homeless Duties.

REPORT AUTHOR: Satnam Kaur, Group Head of Residential Services

DATE: 8 November 2019

EXTN: 01903 737718

PORTFOLIO AREA: Residential Services

EXECUTIVE SUMMARY:

This report provides an update on the budgetary position in respect of nightly paid accommodation to meet the Council's statutory homeless duties through a supplementary estimate of £500k net expenditure for 2019/20.

RECOMMENDATIONS:

Cabinet is asked to Full Council:

- The approval of a supplementary estimate of £500k net expenditure (equivalent to Band D Council Tax of £8.16) to support expenditure on nightly paid accommodation to meet the Council's statutory homeless duties be approved.

1. BACKGROUND:

1.1 Since 2016/17 homelessness has increased exponentially. As a result the use of emergency and temporary accommodation has seen a corresponding increase. The situation is not unique to Arun and is reflective of the national picture. Currently there are 7,040 households accommodated nationally compared to 2,450 a decade ago. The national cost for the same period has increased from £10.6m to £93.3m. The local picture is set out in the tables in section 1.4.

1.2 The situation has been exacerbated following the introduction of the Homeless Reduction Act in April 2018, which has seen both an increase in presentations and use of emergency accommodation. An increase in homelessness presentations is mainly as result of the change to when an applicant can present as homeless or threatened with homelessness, which has increased from 28 to 56 days.

1.3 We have also seen an increase in administrative burden due to the new levels of administration required by the Act. The redirection of resources to meet these requirements is impeding our ability to meet the needs of applicants at risk of homelessness. In mitigation we have tried to reduce the impact by standardising paperwork as far as possible.

1.4 Alongside this we are beginning to see the impact of West Sussex County Council's decision to significantly reduce housing related support grant funding to statutory and voluntary organisations that have historically supported and accommodated homeless households.

	2016/17	2017/18	2018/19	2019/20 (April – October)
Homeless Presentations	773	963	1189	600
B&B Net Spend	£344k	£577k	£1.271m	£646k
Supplementary estimate (net)	£95k	£230k	£650k	£500k

Homeless Households accommodated in nightly paid as at 31.10.19	Emergency (nightly paid) self-contained	Emergency (nightly paid) non self-contained	Total
Single	17	7	24
Couple	0	0	0
Family	60	2	62
Other	0	0	0
TOTAL	77	9	86

1.5 Over the last three years supplementary estimates have been requested to meet the unprecedented level of demand on the housing options service. The situation is set out in the tables above. In response to the situation a comprehensive review of how we deliver homeless and housing options services has been undertaken. It is evident that there needs to be a greater focus on the prevention and relief of homelessness in order to move applicants on from emergency accommodation in a more timely way. In order to achieve this a new structure with a greater level of staff resource is required. This review forms part of the wider restructure of the housing service and is outlined in the next report to this Cabinet – “Financial Implications of the modernisation of the Housing Service”.

2. PROPOSAL(S):

2.1 To request Full Council to approve a supplementary estimate of £500k net to meet expenditure on nightly paid accommodation for 2019/20.

3. OPTIONS:

3.1 Approve the supplementary estimate of £500k net for 2019/20.

3.2 Not to approve the supplementary estimate. However, this is not considered to be a viable option as it will result in the Council not being able to meet its statutory duties in respect of homelessness which would be unlawful and subject to judicial review.

4. CONSULTATION:				
Has consultation been undertaken with	YES	NO		
Relevant Town/Parish Council		NO		
Relevant District Ward Councillors		NO		
Other groups/persons (please specify)	Finance			
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO		
Financial	YES			
Legal		NO		
Human Rights/Equality Impact Assessment		NO		
Community Safety including Section 17 of Crime & Disorder Act		NO		
Sustainability		NO		
Asset Management/Property/Land		NO		
Technology		NO		
Other (please explain)				
6. IMPLICATIONS				
<p>6.1 The table below shows this year's expenditure on nightly paid accommodation to date. Projecting to the end of the financial year there is a requirement for net expenditure to be increased by £500k.</p>				
Nightly paid accommodation monitoring – October 2019				
	Outturn 2018/19 £'000	Original Budget £'000	Current Budget £'000	Actual to Date £'000
Gross Expenditure	1,825	950	950	961
Income	(554)	(320)	(320)	(315)
Net Expenditure	1,271	630	630	646
Income including Housing Benefit recovered	30%	34%	34%	33%
<p>Note: Net expenditure is gross expenditure less Housing Benefit (HB) recovered and a small amount of income paid by recipients. HB generally covers some 30% of gross expenditure but this will vary from month to month due to the phasing of the benefit payments.</p>				

7. REASON FOR THE DECISION:

7.1 To ensure that the Council is able to meet its statutory homeless duties.

8. EFFECTIVE DATE OF THE DECISION: 18 December 2019
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9. BACKGROUND PAPERS:

Cabinet Report 2 September 2019 – Revenue and Capital Outturn Expenditure 2018/19
