

## **HOMELESSNESS**

**EXECUTIVE MEMBER:** Cllr George Clements

**LEAD OFFICER:** Mike Tichford

**REPORT AUTHOR:** Debra Cochrane

**Summary:** Monitoring of the budget for temporary accommodation has revealed an overspend.

|                        |                                                                                                                                                                                        |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Recommendation:</b> | 1. That the existing situation be noted.<br>2. That the shortfall of £118,071.00 be funded from the unallocated balance relating to the right to buy receipts following stock transfer |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**Impact on delivering Copeland 2020 objectives:** The Homeless service ensures vulnerable people have secure, decent accommodation.

**Impact on other statutory objectives (e.g. crime & disorder, LA21):** Providing a homelessness service is a statutory duty.

**Financial and human resource implications:** The shortfall in funding can be financed from the balance remaining on the RTB's leaving an unallocated balance of £640,010

**Project & Risk Management:** None

### **Key Decision Status**

- Financial:
- Ward:

**Other Ward Implications:** None

## **1. INTRODUCTION**

- 1.1 The Council has a statutory duty to provide a homeless service. This includes providing temporary accommodation for people waiting for a decision to be made on their homeless application.
- 1.2 Since the transfer of the housing stock in June 2004 the Council has rented six flats from Copeland Homes that are used for temporary accommodation.
- 1.3 There has been a year on year increase in the number of applications for the last five years.

## **2. THE CURRENT SITUATION**

- 2.1 Between 1 April and 1 August this year there have been 119 applications to the homelessness team (an increase of 52% on last years figures). Many of these applicants have been provided

with temporary accommodation whilst investigations take place and a decision made on whether they are owed a duty by the Council. If a duty is owed we have to continue to provide accommodation.

- 2.2 If the Council accept they are homeless and in priority need, and not intentionally homeless applicants stay in temporary accommodation until housed by a Registered Social Landlord. This can mean a stay in temporary accommodation for some months. This of course means the temporary accommodation is full and bed and breakfast has to be used for other applicants. The cost of bed and breakfast does vary, on average the cost is £60 per night for room only, a cost, therefore of £420 per week. The housing benefit payable, however, is only £45 per week.
- 2.3 There has again been an increase in the number of 16/17 year olds we have provided temporary accommodation for. In 2002/03 there were 6 young people accommodated and in 2004/05 there were 17, during the first quarter of this year 7 have been accommodated. These vulnerable young people should not be placed in bed and breakfast (government guidelines strongly suggest this is not an option). In the cases where we have young people who need temporary accommodation and the flats we have are full we place them with Whitehaven Community Trust, this costs £180 per week per person yet is still cheaper than bed and breakfast, housing benefit, however, cannot be claimed for this accommodation. There are currently five young people in this type of accommodation, a cost to the Council of £900 per week.
- 2.4 Officers are coping with this increased workload at present but should applications continue to rise a temporary member of staff may be needed. A further report will be made to exec in November.

### **3. ACTION TAKEN**

- 3.1 Copeland Homes and Home Housing have been approached to see if they can provide us with additional temporary accommodation within the Borough. This would reduce the need for bed and breakfast accommodation and the amount requested from contingencies. We await their response.
- 3.2 Copeland Homes are reviewing their void turn round times and hope to be in a position shortly to allocate properties more efficiently once the review is complete. This will reduce the time spent in temporary accommodation.
- 3.3 Officers have contacted all the letting agents within the Borough; private rented accommodation is in short supply at the moment. Many residents have been priced out of the housing market and have to rent rather than buy property. Letting agents are trying to find properties for us; this is proving difficult, as the majority of their clients do not want to rent to the Council if homeless families will be using the accommodation.
- 3.4 Private landlords in the area are being contacted; one in particular has three properties that we hope to rent, one in Whitehaven, one in Moor Row and one in Cleator Moor. The landlord is currently undertaking works to the property so they are fit to let. It is anticipated these properties will be available in September, this will reduce the number of people in bed and breakfast.
- 3.5 There have been delays in the processing of housing benefit claims, in some instances this is because tenants are not providing the correct information. If they leave the temporary accommodation before the housing benefit is processed we do not receive the benefit due. An officer has been appointed on a part-time basis and is currently working alongside staff in the housing benefit department and making sure procedures are in place so claims are made on

the day the tenant moves into the property. This officer is also responsible for managing the temporary accommodation.

- 3.6 No further savings can be made within the department. The amount requested is based on a 'worst case' scenario i.e. no more temporary accommodation becomes available and applications continue at the current rate. Should there be any balances at the end of the financial year they will be carried forward to 2006/07.

#### **4. CONCLUSIONS**

- 4.1 As part of the stock transfer we are to receive £9,000.00 of each of the first 250 right to buys sales following transfer. This gives a total of £2,250,000 of which £1,971,000 has been received to date. The budget process for 2005/06 allocated £1,276,861 to fund the current capital programmed and part fund future private sector renovation grants. The restructure report allocated a sum to fund 1.5 posts for a number of years. It is recommended that the shortfall of £118,071 be funded from the balance remaining from the RTB's
- 4.2 The increase in the number of applications, the rising cost of bed and breakfast and the use of supported housing for young people have contributed to the increase in cost of the homeless service.
- 4.3 Officers will continue to explore all avenues of funding and ways of providing temporary accommodation.

#### **List of Appendices**

[Appendix A](#) – Costs of Providing Temporary Accommodation

#### **List of Background Documents:**

#### **List of Consultees:**

Corporate Team  
Cllr George Clements  
Paul Robson