

Cabinet



Date of meeting:	11 December 2023
Title of Report:	Purchase of Temporary Accommodation
Lead Member:	Councillor Chris Penberthy (Cabinet Member for Housing, Cooperative Development, and Communities)
Lead Strategic Director:	Gary Walbridge (Interim Strategic Director for People)
Author:	Jackie Kings
Contact Email:	Jackie.kings@plymouth.gov.uk
Your Reference:	JK 1
Key Decision:	Yes
Confidentiality:	Part 1 - Official

Purpose of Report

The report sets out the business case for Community Connections to undertake £10,000,000 service borrowing and apply for up to £5,000,000 Homes England Affordable Homes Programme grant in order to acquire accommodation to provide short term temporary homes for homeless households.

As homelessness has increased, the use of temporary accommodation has increased also. At the same time the move on options to affordable housing have reduced as the private rented sector has become unaffordable and social housing availability has reduced and fails to meet demand. This has resulted in existing temporary accommodation becoming blocked and more utilisation of unsuitable bed and breakfast and expensive nightly paid alternatives (holiday lets). This has created an in year service budget pressure of £2.4 million and demand is forecast to continue to increase.

Recommendations and Reasons

It is recommended that Cabinet:

1. Approve the Business Case to enable the purchase of properties to
 - a) provide appropriate supported temporary accommodation for homeless households as an alternative to bed and breakfast and other high cost nightly paid accommodation, and;
 - b) support reduction of temporary accommodation costs;
2. Allocate £10,000,000 for the project into the Capital Programme funded by service borrowing;
3. Allocate up to £5,000,000 of Homes England grant to the Capital Programme, subject to successful bid;
4. Delegate the approval of individual and bulk purchases to the Service Director for Community Connections for all purchases within the approved financial envelope in consultation with the

cross departmental Strategic Steering Group, Cabinet Member for Housing, Cooperative Development and Communities and Cabinet Member for Finance.

5. Authorises the Service Director for Community Connections to approve business cases and award contracts relating to this project where they would otherwise not have authority to do so.

Alternative options considered and rejected

1. Do not increase level of temporary accommodation – rejected as there is a growing demand and a need to meet homelessness statutory duties and reduce related budget pressures
2. Borrow less and purchase fewer units – rejected as this would not provide sufficient accommodation to meet the demand and manage the budget pressure
3. Ask partner Registered Providers to provide more emergency temporary accommodation- rejected as no partner currently has capacity or appetite to provide this option currently and this is not a time effective option in the current climate

Relevance to the Corporate Plan and/or the Plymouth Plan

Policy HEA8 of the Plymouth Plan aims to ensure everyone has access to a decent, safe and affordable home, achieved through identifying sites and delivery programmes to develop a range of new and affordable homes to rent and buy.

Section 4.71 of the Plymouth Plan further outlines the significant need for more affordable homes in Plymouth.

Policy DEV7 of the JLP outlines the need to ensure there is a broad range of housing available to suit households with specific needs, including large family homes.

This project will refurbish properties to an EPC C rating by improving the energy efficiency of homes and supporting plans to improve the energy efficiency of homes in Plymouth supporting the Net Zero Action Plan

The Corporate Plan priorities of building more homes – for social and affordable ownership and keeping children, adults and communities safe are supported in the delivery of this plan.

Implications for the Medium Term Financial Plan and Resource Implications:

Growth has been built in to the MTFP for future years in line with anticipated demand within the service. This plan has been taken into consideration and supports management of the budget pressures moving forwards.

Financial Risks

All financial risks are contained within the Part II accompanying report. The project is a key mitigation of Homelessness Strategic Risks as detailed in the Strategic Risk Register.

Sign off:

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Originating Senior Leadership Team member: Matt Garrett (Service Director for Community Connections)

Please confirm the Strategic Director(s) has agreed the report? Yes

Date agreed: 24/11/2023

Cabinet Member approval: Councillor Chris Penberthy (Cabinet Member for Housing, Cooperative Development, and Communities)

Date approved: 25/11/2023