

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

13 SEPTEMBER 2022

REPORT OF THE CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE

TEMPORARY ACCOMMODATION FOR HOMELESSNESS

1. Purpose of report

- 1.1 The purpose of this report is to seek approval from Cabinet to suspend the Council's Contract Procedure Rules (CPRs) in order to secure temporary accommodation for homelessness cases, to meet the Council's statutory housing duty.

2. Connection to corporate well-being objectives/other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objective under the **Well-being of Future Generations (Wales) Act 2015**:
- **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.

3. Background

- 3.1 At the start of the Covid 19 Pandemic Welsh Government introduced an 'All In' approach to homelessness and directed local authorities that no-one was to be without accommodation due to the public health imperative. Welsh Government (WG) introduced a Guidance Note which extended the definition of vulnerable with regards to the 'priority need' criteria set out in the Housing (Wales) Act 2014. In effect this made all homeless persons eligible for an offer of temporary accommodation.
- 3.2 To meet this requirement the service made arrangements with local hotels to secure accommodation. At the time, these hotels were the only ones that remained open and had the capacity and willingness to provide such accommodation. Security staff were secured for two of the larger units of accommodation, to support existing staff structures. It was expected that the use of these hotels would be for the short term only. Short block booking arrangements were entered into as part of the Council's emergency response to the pandemic.
- 3.3 At the end of that period, the pandemic and its public health restrictions remained in place and further tranches of 6 monthly bookings were required. Additional units, such as self contained holiday lets were also required to meet ongoing demands, including from families. Service Level Agreements (SLA's) between the hotels / other accommodation providers and the housing service were agreed. This was continued on the basis that services would, within a period of time, revert to pre

covid conditions and therefore this arrangement would not need to be continued for a long period.

- 3.4 Subsequently, whilst the emergency pandemic state has rescinded, the housing service remains in a critical position and Welsh Government's emergency change to the definition of priority need is continuing, with WG intent on amending primary legislation to continue the extension of the priority need definition, as highlighted above. As such the additional placements the Council is required to make, continue to be a statutory duty. The tourism accommodation initially taken on a short term basis has become key in the Council's ability to meet the Council's legal duties, without which the Council may face legal challenge.
- 3.5 The additional expenditure incurred to meet these demands has, to date been largely funded by the Welsh Government Hardship Grant.

4. Current situation/proposal

- 4.1 On the 30th September 2022 our current arrangements with the hotels will come to an end. We have made initial enquires with our current partners and all of them are willing to enter into a new arrangement for the next 6 months.
- 4.2 The demand for temporary accommodation has not reduced and as of 11th August 2022 there are 398 individuals accommodated by the Council in temporary accommodation. 136 of these are children.
- 51% are in tourism units, which the Council has taken on since the Covid 19 pandemic.
 - The Council is routinely having to book hotels out of county to accommodate those on a waiting list for temporary accommodation, whose options run out.
 - As of early August 2022 there are a further 115 households who are not homeless currently, but who are either waiting or may imminently need temporary accommodation. This is an indicator of the continued pressures on the housing service.
- 4.3 To allow the continuation of the arrangements with existing accommodation providers it is proposed that Bridgend County Borough Council (BCBC) enter into further 6 month SLA's, in order to meet presenting need. It is proposed that the agreements with existing accommodation providers be used, to enable consistency in provision for both BCBC and any service users accommodated. By providing this accommodation during the pandemic the accommodation providers have developed experience in providing temporary accommodation and a working relationship with BCBC's Housing Solutions Team, key to the successful management of temporary accommodation placements.
- 4.4 Cabinet needs to be aware that in taking forward this action, the Council is exposed to the risk of potential challenge from other accommodation providers. The Council's CPRs ensure that procurement exercises are lawful and carried out in compliance with Public Procurement Law, in particular the Public Contract Regulations 2015. This report proposes entering into agreements without any competition which breaches the requirements of the Public Contract Regulations 2015 and therefore requires Cabinet's approval to set aside the Council's CPRs.

- 4.5 The risk of challenge is not possible to quantify, however given the need to continue service provision to vulnerable people, the pressures on current homelessness services, and the limited availability of suitable and willing accommodation providers to provide such accommodation, Cabinet may take the view that the potential for challenge is one it is prepared to accept. In addition, due to the specialist nature of provision there are relatively limited providers of such services.
- 4.6 It is acknowledged that the use of tourism accommodation at this scale is not a suitable or sustainable way to meet statutory housing duties. Several strands of work are ongoing to secure more suitable temporary accommodation and also more permanent, move on accommodation. These include:
- Expansions to existing accommodation and housing related support projects, such as the Alternative to Bed and Breakfast Accommodation service
 - Capital development through the Social Housing Grant
 - Expansions to BCBC's private rent leasing scheme, delivered in partnership with Cartrefi Hafod
 - Bids to Welsh Government Transitional Capital Funding
 - A temporary Rapid Rehousing Protocol to prioritise accommodation to those in temporary accommodation
- 4.7 Whilst the strands of work detailed above are ongoing, they are challenging pieces of work, which will take time. For example capital projects will take time to be delivered and engaging with the private rent sector at this stage is extremely difficult due to wider market conditions which have left rents and property prices inflated.
- 4.8 As such whilst the long term unsuitability of the current temporary arrangements are acknowledged they are necessary in order to meet statutory duties and safeguard vulnerable individuals, who may otherwise be rough sleeping.

5. Effect upon policy framework and procedure rules

- 5.1 This report is requesting a suspension of the Council's CPRs, but no amendment to the CPRs is being sought.

6. Equality Act 2010 implications

- 6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales, the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

- 7.1 The report contributes to the following goals within the Well-being of Future Generations (Wales) Act 2015:
- A prosperous Wales
 - A resilient Wales

- A Wales of cohesive communities
- A globally responsive Wales

7.2 It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial implications

- 8.1 The cost of the additional units of tourism accommodation range from £35 per night to £150 per night. The cost of each unit is dependant on the nature of the property, for example a 4 bed property will likely cost more than a 2 bed property. It is estimated that the total cost for a 6 month period will be around £1.7m. This is an estimate at this time as final costs will be negotiated during discussions with accommodation providers but the service will seek to keep any increase to a minimum.
- 8.2 Whilst the costs of temporary accommodation to date have largely been claimed from the Welsh Government Hardship grant this grant is no longer in place for 2022-23. However, WG recognised the need for homelessness accommodation to be secured in advance to continue the commitment to focus on support for homeless individuals and approved £1.479 million to cover these costs for the first six months of 2022-23. In addition, the accommodation elements of the Hardship Fund was replaced in 2022-23 by a Welsh Government 'Homelessness – No One Left Out Approach Grant' at a sum of £1.046 million for 2022-23. This funding will be used towards the cost of the 6 month extensions, with the balance being met from the BCBC core budget of £2.192 million that was approved by Council as part of the budget setting process in February 2021 to continue the commitment to focus support for homelessness individuals providing them with accommodation.

9. Recommendations

9.1 It is recommended that Cabinet:

- Suspends the relevant parts of the Council's Contract Procedure Rules with regards to the requirement to tender for a contract and delegates to the Group Manager – Housing to enter into 6 month Service Level Agreements with accommodation providers, in order to continue the provision of additional temporary accommodation, as necessary to meet BCBC's statutory duties.
- Delegates authority to the Group Manager - Housing to approve the final terms of the Service Level Agreements on behalf of the Council and to arrange execution of the agreements on behalf of the Council.

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13th September 2022

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Background documents:

None