

REPORT TO:	Chief Executive	AGENDA ITEM:
DATE OF MEETING:		CATEGORY: (See Notes) DELEGATED or RECOMMENDED
REPORT FROM:	Head of Housing	
MEMBERS' CONTACT POINT:	Paul Whittingham	DOC:
SUBJECT:	Temporary Accommodation for Homeless Households	
WARD(S) AFFECTED:		TERMS OF REFERENCE: (See Notes)

1. **Recommendations** The following recommendations are to be made under the Chief Executive's delegated authority during the current suspension of Council and Committee meetings. These recommendations will be reported to the next available Housing and Community Services Committee retrospectively.

1.1. That the Chief Executive, under his delegated powers, approves the appointment of the Three Queens Hotel in Burton on Trent to deliver Bed and Breakfast services, for homeless households from May 2020.

1.2 That the commissioning of this service is subject to an exemption from the Contract Procedure Rules, under Sections 4 and 5

1.3 That following approval by the Chief Executive and a report to the next Housing and Community Services Committee, the financial elements including the required exemption from Contract Procedure Rules are subject to further ratification at the Finance and Management Committee.

2.0 Purpose of the Report

2.1 To seek the Chief Executive's approval for the procurement of hotel accommodation and ancillary services for the provision of emergency and temporary accommodation, to discharge the Council's duties to homeless households under the Homeless Reduction Act 2018 and subsequent regulations and guidance regarding Covid-19.

2.2 To enable an exemption from the Contract Procedure Rules due to the fact that this is the only provider who has been able to agree the provision of five units of accommodation within the urgent timescale required.

3.0 Executive Summary

- 3.1 The supply of the usual temporary /emergency accommodation from hotels in the area has ceased due to recent government announcements related to Covid-19.
- 3.2 The demand for this accommodation is likely to increase as certain groups of prisoners and hospital patients are released in advance of usual release and discharge dates.
- 3.3 The Council is working with NOVUS, the Council's repairs' contractor, to provide temporary accommodation of a reasonable standard although this will be barely furnished and may not be accessible or appropriate for some clients or in an emergency.
- 3.4 The Council, in partnership with Erewash Borough Council, has been trying to negotiate a block booking of jointly accessible accommodation in or around the Erewash, Derby City and South Derbyshire areas.
- 3.5 Since those negotiations began a further offer of Bed and Breakfast accommodation has been received from the Three Queens Hotel in Burton on Trent. This offer is at a lower daily rate than the others and is also for a lower number of bedrooms.

4.0 Detail

4.1 Background

Since the outbreak of Covid-19, the Government has issued a call to local authorities to get "everyone in". This primarily refers to people who are sleeping rough. The Council does not usually have a statutory duty to accommodate everyone when homeless, so some people can be without shelter under normal circumstances. This call, fronted by Dame Louise Casey, therefore places responsibility on local councils to house more people than usual and incur the higher costs associated with this, principally to cover bed and breakfast costs. It also included a directive that communal night-shelters and street encampments be closed down, as communal settings are a high risk for spreading coronavirus. The Derby and Chesterfield night shelters closed around during the week beginning 16th March , placing additional demands on local councils where these were operating.

- 4.2 The numbers of people sleeping rough changes constantly. Some find accommodation for periods and 'sofa surf' while others remain outside. Some move around and are not easy to find. At the last count on one day in November using the government's 'snapshot' methodology, there were 38 rough sleepers counted county-wide, although none were in South Derbyshire
- 4.3 The need for self-contained accommodation extends to many households that the Council already has a responsibility to accommodate. The Council is working with NOVUS to bring into use self-contained and suitable accommodation for people who are self-isolating thereby reducing the possible transmission of the virus.
- 4.4 Another potential demand has arisen in relation to prison discharges. The Ministry of Justice's Homelessness Forum has been tasked with consulting local authorities in respect of government's consideration of granting early release to some prisoners; ostensibly to reduce pressure on the prison system and manage coronavirus outbreaks within custodial establishments more effectively. It wants to know how councils can help accommodate higher numbers of people released from custody for those falling into the early release cohort but for whom there is no accommodation. The request raises the possibility of funding for accommodation, however, without

any sense of numbers at this stage it is not possible to provide a clear response. Housing Services in Derbyshire has contacted the lead officer for the Forum to discuss possible ways forward. From these discussions it is understood that the early release programme will be staged with the first tranche of releases being for pregnant women. The Ministry of Justice has confirmed that some prisoners may be released without having an existing permanent address.

- 4.5 The Council has already been asked to assist with the provision of services for patients who are being discharged early by local hospitals. In the first instance this request is for the provision of telecare (Careline) services, although the need to provide accommodation cannot be ruled out.
- 4.6 At around the same time as the call for “everyone in” was being made, government instructed a range of businesses to close, although the government has now made an exception for hotels and B&Bs which provide accommodation for the homeless. However, one impact has been the loss of access to hotels used when the B&B accommodation procured by the Council is full: they do not have the demand to open just for this group of customers. Another issue has been the restricted access to out-of-hours emergency placements. This service, provided by the Council for other district councils in Derbyshire has had to resort to making placements in Stoke-on-Trent, outside of normal working hours.
- 4.7 The reduced access to accommodation extends to housing associations, as reduced numbers of repairs’ staff has led to properties not being repaired as quickly or as completely as usual. Government has also advised against house moves, except where necessary. The numbers in temporary accommodation will undoubtedly increase without this pool of people having permanent places to move on to.

4.8 Actions taken so far

The Housing Service has worked with NOVUS to secure a pipeline of accommodation into which some homeless families can be placed either permanently or temporarily. This is in line with Government guidance regarding the allocation of accommodation during the Covid-19 outbreak published on 27th April 2020. Only three other Housing providers in the South Derbyshire Homefinders partnership have been able to offer the prospect of providing temporary accommodation, none of which provides for emergency self-contained accommodation.

- 4.9 Safe, self-contained accommodation where people can self-isolate is needed. The generally poor health of this cohort of people means that it contains many people from vulnerable groups, some of which may not be receiving medical care or may not have been diagnosed with conditions due to difficulties registering with GPs. To this end, the Council has worked to identify accommodation that is both open and willing to accommodate the client groups outlined above. Despite several promising negotiations, relatively few hotels are willing and able to provide this service. Where they are, measures will need to be put in place to reassure owners that they will not incur financial losses through damage and that the safety of residents and staff will be at the forefront of arrangements.
- 4.10 The Council has been working with Erewash Borough Council in seeking a solution which brings with it the advantage of sharing the risk where rooms are paid for but not occupied. A comprehensive trawl of accommodation around the County has produced just a few workable solutions. All three Holiday Inns in Derbyshire have declined. Some negotiations ended once the hotel’s local management was overruled in light of government’s instruction for hotels to close. Proposals have been

received from the Risley Hall Hotel near Long Eaton and the Hallmark Hotel in Derby Whilst neither has been pursued further the costs are included in the tables below.

Table 1: estimated costs of all 17 rooms, Risley Hall

	Daily cost	Weekly cost	Twelve weeks	Sixteen weeks
Room only @ £65 per room	£1,105	£7,735	£92,850	£123,760
Food, 3x daily @ £15 pp	£255	£1,785	£21,420	£28,560
Security @ £11.83 ph, 9pm- 5am	£189.28	£1,324.96	£15,899.52	£21,199.36
*Total	£1,549	£10,845	£139,170	£173,519

Table 2: estimated costs of 20 rooms at the Hallmark Hotel

	Daily cost	Weekly cost	Twelve weeks	Sixteen weeks
Room only @ £65 per room	£1,300	£9,100	£109,200	£145,600
Food, 3x daily @ £30 pp	£600	£4,200	£50,400	£67,200
**Security @ £11.83 ph, 9pm- 5am	£189.28	£1,324.96	£15,899.52	£21,199.36
*Total	£2,089.28	£14,625	£175,500	£233,999

*rounded to nearest £

** assuming that we will be allowed to commission our own security

- 4.17 The costs and risks of both these proposals would have been shared by the Council and Erewash Borough council. However, all these schemes required the Council to either fully or partly fund eight or nine bedrooms. Whilst the demand for accommodation has increased markedly across Derbyshire since the start of the lockdown, the Council have only been required to make one emergency placement in Bed and Breakfast. This is testimony to the effective preventative work by the Housing Options team. This coupled with the supply of temporary accommodation within the Councils own housing stock suggests that a lesser number of units is required. Feedback from the Housing Options team suggests that a more local solution would be preferable.
- 4.18 The Graile Court Hotel in Burton on Trent has been asked to provide a proposal. This establishment also required the Council to make a booking for the entire hotel which is felt to be excessive and has not been pursued.
- 4.19 Three Queens Hotel in Burton on Trent has offered a block booking of five rooms for an initial eight week period at a flat rate of £45.00 per room per night (regardless of size or occupancy). Meals can be provided at £15.00 per person per day. Consequently, the costs of this service are:

- If no households are referred then our cost to retain the rooms will be :£9,800 (minimum cost)
- If all rooms are occupied by single people, the cost will be £16,800
- If all rooms are occupied by a family of five the cost will be £33,600 (maximum cost)

There are other household permutations that will fall between the minimum and maximum cost.

The hotel has reduced its meal cost to £15 pp, which reduces the non-eligible cost to be covered either by the Council or government funding. The Housing Benefit eligible room cost stays the same at £45.00 per night.

The daily rate for the accommodation and the provision of meals is lower than the other proposals received so far.

There is on site security and the hotel has been separated into different areas for differing client groups. (Single people, vulnerable females/mothers, families).

4.20 Funding

There are a range of funding options available to the Council to cover the cost of procuring this accommodation. The Council receives Homelessness Reduction Grant annually from central government. This amounts to £49,401 The Council receive Flexible Housing Support Grant from the government of £118,421. These funds are already allocated to the operating budgets of the Housing Options Team. The Council has been provisionally allocated £1,650 from the Coronavirus (COVID-19) Rough Sleeping Contingency Fund which it is in the process of requesting from government to support the additional costs of placing rough sleepers in B&B accommodation. This amount is based on the zero return in the annual rough sleeper survey.

Derbyshire County Council received a significantly larger sum and has agreed, in principle, to allocate £125,000 to the south of the County for this purpose. Written confirmation of this agreement is being sought from senior officers in the Council.

Some Housing Benefits subsidy will result from claims made by those using the rooms. The Housing Service is exploring with Housing Benefits whether the accommodation could be considered to be eligible for Intensive Housing Management to maximise the subsidy received. There may be additional costs to the Council in the event of excessive damage or cleaning.

4.21 Summary

In addition to the Council's usual statutory responsibility to house homeless households, it has been asked to house all rough sleepers immediately as part of the government's "everyone in" campaign. Funding has been provided for this purpose and subject to confirmation from Derbyshire County Council there should be sufficient funds to cover eight weeks accommodation, food and security, government has indicated that more funding may become available.

The Chief Executive is asked to give his agreement to the Housing Service procuring five rooms at the Three Queens hotel for eight weeks with an option to extend this, should funding be available. This decision, which would be subject to later ratification by both the Housing and Community Services and Finance and Management Committees and be made urgently to meet the Government's call,

without using up all of the Council's accommodation that it usually uses for homeless households.

5.0 Financial Implications

- 5.1 At this stage, no additional grants as a result of Covid-19 have been received by the Council in relation to Homelessness but the Government has made very clear statements about the provision of funding.
- 5.2 There is an earmarked reserve totalling £248,735 set-aside from underspends on the Homelessness Service in prior years and no drawdown is anticipated in 2019/20. This can be utilised towards the cost of providing hotel accommodation as detailed in the report.
- 5.3 It should be noted however that prior to the Covid-19 pandemic, one-off projects were being considered for prevention of homelessness in line with measures contained within the Homelessness Reduction Act. Utilising this reserve will reduce future progress with these projects and potentially create a risk of non-compliance with the Act.
- 5.4 If the Council can secure some of the allocated funding of £125,000 from DCC and the grants in relation to rough sleeping quoted in this report are received this will reduce any potential drawdown from reserves., the overall cost of this proposal can be contained without the need to drawdown from the reserve.

6.0 Corporate Implications

Employment Implications

- 6.1 No direct employment implications

Legal Implications

- 6.2 There are no direct legal implications of this report, as the Council will not be entering into a lease with the hotel.

Corporate Plan Implications

- 6.3 The contents of this report will directly contribute to: Supporting and safeguarding the most vulnerable, with partners encouraging independent living and keep residents healthy and happy in their homes. Promote health and wellbeing across the District.

Risk Impact

- 6.4 The contents of this report will assist in minimizing the risk of rough sleeping in the District

7.0 Community Impact

Consultation

- 7.1 No consultation with the community is required

8.0 Conclusions

- 8.1 That there is an urgent need for Bed and Breakfast accommodation for homeless households in light of the Covid-19.
- 8.2 That the proposal made by the Three Queens Hotel in Burton on Trent is the most appropriate for the Council in terms of ; cost, location and number of units available.

9.0 Background Papers

Notes:

- * Category – Please see the Committee Terms Of Reference in [Responsibility for Functions - Committees](#). This shows which committee is responsible for each function and whether it has delegated authority to make a decision or needs to refer it elsewhere with a recommendation.
- ** Open/Exempt - All reports should be considered in the open section of the meeting, unless it is likely that exempt information would be disclosed. Please see the [Access to Information Procedure Rules](#) for more guidance.
- *** Committee Terms Of Reference in [Responsibility for Functions - Committees](#).