

APPENDIX 6

OVERVIEW AND SCRUTINY COMMITTEE (REGENERATION AND SKILLS)

5 MARCH 2024

BRIEFING NOTE RE: PROCUREMENT OF TEMPORARY ACCOMMODATION

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Background

The Council's latest Forward Plan indicates that a report on procurement of Temporary Accommodation will be considered by Cabinet at its meeting to be held on 23 May 2024. The report to Cabinet has not yet been prepared but bearing in mind the meeting of the Overview and Scrutiny Committee meets before 23 May 2024, Councillor Dowd, Chair of the Committee, has requested that this briefing note be prepared to provide an outline of the matters to be considered by Cabinet. The information set out below provides an update.

Update Position

Summary

As part of the Council's statutory function in discharging its duties under the Housing Act 1996, Homelessness Act 2002 and the Homelessness Reduction Act 2017, the Council must provide interim accommodation while it makes enquiries if it has reason to believe that an applicant may be:

- Homeless
- Eligible for assistance, and
- In priority need.

These functions are delivered through the Councils Housing Options service and accommodation requirements sourced from a mix of Council stock, Commissioned Providers and accommodation providers from the private sector.

Since August 2023 there has been a significant increase in the number of households in temporary accommodation (TA). Consequently, the Council has needed to source an increasing amount of accommodation from the private sector. The Council would like to develop a detailed plan for procuring good quality, furnished, and maintained accommodation for eligible homeless households through a mix of supported, and general needs temporary accommodation.

Current Challenges

The Local Government Association estimates that the total cost to local authorities nationally is £1.7bn per annum. In July 2023 it was widely reported in the national press that households accessing Local Authority TA in England was at its highest

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since records began. The number of households being placed in TA had risen by 10% in England for the year to July 2023.

During July 2023 there was a spike in Sefton's Housing Options service demand which saw the highest number of households approach the Council for homelessness assistance. Although the following months of August, September and October were very high, they did not surpass the July figure. This increase in demand has also seen an increase in households requiring TA.

Procurement Plan

The proposal is to develop a procurement framework that several providers can join. Each provider would need to agree to standards set out in the service specification before they could join the framework. The price of the accommodation and the duration that it will be available to be used for the purpose of TA, will also be set within the service specification. Procurement of these services will be conducted in line with the council's procurement regulations.

Wider considerations

Other Council services - Whilst, initially, the focus of the exercise will be to relieve pressures within the Housing Options service there may be other service areas that require accommodation on a temporary basis and who may wish to participate in the development of the procurement plan. This will remain a consideration throughout the exercise.

Gaps in service – Consideration will be given to where there could be a gap in service to meet emerging needs. This could instigate opportunities to work with other agencies.

Consideration will be given to the additional support needs of households accessing temporary accommodation. Although the focus for the exercise is about providing accommodation, there may be opportunities to do things differently with certain cohorts to help households move on to permanent accommodation more quickly.

Funding models – Different funding models will be considered. There may be opportunities to partner with TA providers to structure services differently.