

Title

Homeless temporary accommodation

Service Area

Housing & Community Safety

Estimated Savings

Summary

This business case looks at the potential for a limited homeless stock transfer.

The Council's current rental structure for temporary homeless accommodation was designed to recover the full economic costs of service delivery from service users. Rents are currently set at £434 per week with the overwhelming proportion of the income being paid through Housing Benefit. The impact of Universal Credit could mean that the Council could face a reduction of Housing Benefit income for homeless accommodation of some £1.5million.

The Council could relinquish its role as landlord of some temporary accommodation properties to a Registered Social Landlord (RSL) for them to take over this function.

This business case investigates whether an RSL would be willing to work with the Council on this basis and to gauge the benefit that this might bring in either reduced costs or mitigate against the fall in income from welfare reform changes.

There is a risk that no RSL will be sufficiently interested in working with us on sharing additional revenue generated or have confidence that the exemption will remain open for this to be explored. Only by a tendering exercise will we know if an RSL is interested and whether the Council could reduce costs or generate additional income.

Impact

No alteration to the quality of service and support to residents is envisaged. It is believed that the residents of this accommodation will continue to have their housing costs met by Housing Benefit, rather than Universal Credit.