

**TITLE: BROAD STREET DEVELOPMENT SECTION 106 HOUSING FUNDS  
– TEMPORARY HOUSING PROJECTS**

Committee: Development & Transport Committee

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[M179]

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1.0 ISSUE

1.1 To consider the use of the Broad Street Section 106 (S106) housing contribution towards refurbishment of proposed new temporary accommodation provision

2.0 RECOMMENDATION

2.1 It is recommended that:-

- (i) The unallocated S106 funding held by the Council be used to refurbish a number of properties to be used as temporary accommodation for the homeless to alleviate the current high revenue spend on bed and breakfast accommodation.
- (ii) Officers use their discretion to decide the amounts to be paid and on which accommodation projects

3.0 BACKGROUND

3.1 The Council has seen an increase in homelessness since 2011 and the associated cost of providing temporary accommodation. Bed and breakfast costs are forecast to reach c.£400,000 during 2012/13.

3.2 Clearly there is a great need for additional temporary accommodation in order to reduce the current bed and breakfast crisis and this is being addressed in a number of ways within the Councils Homelessness Strategy (see Agenda Item: 8).

3.3 Capital contributions towards these projects could mean the difference between them being viable or not. For example Sanctuary will not order works to start on the Littleport hostel until they have re-assurance that the rent will be paid, but ARP will only pay a 'reasonable amount' of rent of housing benefit. The Council is keen to ensure that the staffing at the hostel is adequate and would not wish Sanctuary to cut costs in that area. It is possible a stalemate could ensue.

3.4 Funding for affordable housing within S106 has been identified which is not currently allocated. A sum of £175,329 was received via a Section 106 Agreement relating to a development in Broad Street, Ely in October 2001.

£88,000.00 was spent in April 2007 to purchase some land at Barton Close, Witchford, but the rest remains unallocated.

- 3.5 With a need to provide some 'pump prime' funding to kick start additional temporary accommodation provision it is recommended that Members consider adopting a spend to save approach and allocate the funding above to delivering these projects.
- 3.6 It is accepted that the partners we are considering funding are largely also public bodies. If Members do not wish to provide funding through grants, another option could be to consider offering interest free loans, taking a charge out against the properties to be repayable on any future sale.

#### 4.0 PROPOSALS

4.1 A review of temporary accommodation was carried out during 2012 with a number of recommendations (see Appendix 1) including increased provision of temporary accommodation through a variety of mechanisms:

- Bringing the old part of Littleport hostel back into use as soon as possible ensuring strong effective management is in place.
- Explore and pursue options for use of the 2/3 bedroom self-contained annex to Littleport Hostel including exploring its use for housing young people managed by YPL who are based opposite.
- Support the delivery of additional units of accommodation at the Young Peoples Project, Ely.
- Work with Refuge to ensure continued use of the DAISI house in Ely for victims of domestic abuse
- Seek temporary accommodation in Soham or surrounding area to meet the demand from that area.
- Continue to pursue options for further temporary accommodation.

#### 4.2 Littleport Hostel

4.2.1 Sanctuary Housing is willing to bring the seven family rooms in the hostel back into use; however the property has remained empty for the last three years.

4.2.2 Although the condition of the old part of the property is relatively good, especially upstairs, works are required to bring it back into use including a new central heating boiler, door entry system, decorating and carpets. Quotes have been obtained for the work and are around £30,000.

4.2.3 Sanctuary are considering the management of the premises and are planning to recruit a part-time manager in order to provide a good on site presence.

4.2.4 In order to make sure that the rent and services charges are affordable, officers at the Council and Sanctuary are in discussions with ARP about proposed levels of charges. Housing benefit will pay a 'reasonable' amount and will compare the rent charged with that in other hostels.

4.2.5 Sanctuary have initially proposed a weekly charge (rent and service charge) of £230 per week. This is higher than that charged at Ely hostel (147.38) and Burwell (£166.20) due to the inclusion of refurbishment costs in their calculations.

4.2.6 Should the Council consider contributing towards the refurbishment of the property this would bring the weekly charge more in line with the existing hostels and ensure it is affordable, and within housing benefit limits.

#### 4.3 Littleport Hostel Annex

4.3.1 This newer part of the hostel is self contained and used to be the hostel warden's accommodation before being used to separately house single people before the hostel was closed.

4.3.2 YPL Littleport have been interested for some time in using some or all of the hostel to house young people to compliment the service provided by YPL in premises opposite. They currently manage two units of accommodation.

4.3.3 Initial discussions have taken place with Sanctuary with a view to YPL taking on a lease of this annex and using it to house young people that they are supporting in the local community and to meet a need locally.

4.3.4 This annex requires considerable works to bring it back into use as it has suffered from burst pipes and water damage during the time it has been left empty. Quotes have not so far been obtained.

4.3.5 Officers are keen to support this initiative and may wish to offer YPL a contribution towards the refurbishment works, again to make the accommodation affordable.

#### 4.4 County Council Caretakers Bungalow, Soham

4.4.1 This property has been empty for some time and is a large three bedroom bungalow on the edge of the Wetheralls school site.

4.4.2 Discussions have begun with the County Council about leasing the property to Sanctuary for use as temporary accommodation for families who have connections to Soham and a need to stay there (there is currently no temporary accommodation in Soham).

4.4.3 The property needs considerable work in order to bring it back into use and consideration is being given to possible use of empty homes funding (grant or loan) and/or other possible sources of funding in return for a five or six year lease on a peppercorn rent.

#### 4.5 Other accommodation options

- 4.5.1 A property owner has come forward offering the Council a five bedroom house with adjoining bedsit and self contained flat in central Ely for use as temporary accommodation.
- 4.5.2 The owner is planning to go and live abroad in the near future and is sympathetic to the Councils position and would like to help.
- 4.5.3 Sanctuary have been to view the property (which may need a small amount of work to turn into shared use) and are currently considering options. This property would require planning consent for change of use.
- 4.5.4 Other options may come forward that need some financial contribution to make them viable and to progress their development.

## 5.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT ASSESSMENT

- 5.1 The costs of bringing these properties into use as temporary accommodation will be entirely funded from S106 developer contributions already received by the Council.
- 5.2 By spending the money 'up front' to bring properties into use as temporary accommodation and making rent levels affordable to homeless households will ensure that the bed and breakfast bill for 2013/14 is considerably lower than forecast for 2012/13.
- 5.3 As this proposal benefits vulnerable households and those with a disability who will be accommodated in more suitable accommodation it is not considered that an Equality impact assessment is necessary.

## 6.0 APPENDICES

- 6.1 Appendix 1 – Review of Temporary accommodation - summary of recommendations

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<b><u>Background</u></b>	<b><u>Location:</u></b>	<b><u>Contact Officer:</u></b>
<b><u>Documents:</u></b> Review of Temporary Accommodation 2012	The Grange, Nutholt Lane Ely	Jane Hollingworth, Head of Housing, <a href="mailto:jane.hollingworth@eastcamb.gov.uk">jane.hollingworth@eastcamb.gov.uk</a>

## APPENDIX 1

### **Review of Temporary Accommodation – Summary of recommendations**

- Bring the old part of Littleport hostel back into use as soon as possible ensuring strong effective management is in place.

- Explore and pursue options for use of the 2/3 bedroom self-contained annex to Littleport Hostel including its use for housing young people possibly managed by YPL who are based opposite.
- Support the delivery of additional units of accommodation at the Young Peoples Project, Ely.
- Work with Refuge to ensure continued use of the DAISI house for temporary accommodation for victims of domestic abuse
- Consider block booking a number of rooms in one establishment in order to maintain some stability for households involved and avoid the need to move from one B&B to another.
- Ensure proper written procedures are in place for placements into B&B accommodation including completion of HB forms prior to placement and confirmation to owner about what will be paid for. Bring in a re-charging policy.
- Seek temporary accommodation in Soham or surrounding area to meet the demand from that area.
- The current removals and storage service only be offered to those who are unable to make arrangements themselves. Options for alternative storage arrangements for applicants i.e. garages should also be explored.
- Discuss with Sanctuary a mechanism for explaining to homeless households the delays that are likely in relation to the property they are bidding for and ways of allowing bidding to continue should they wish to do so.
- Ensure that Government funding is used fully to enhance and support homeless prevention initiatives. A review of homelessness prevention tools available to officers and their ability to make small payments to prevent homelessness should take place.

- Ensure that home visits take place on the majority of cases prior to a homeless application being taken in order to verify their circumstances.
- Staff to receive further training on priority need and to be clear what is a statutory duty and what is a discretionary power.
- Continue to pursue options for further temporary accommodation.
- Work with King Street Housing Society and property owners to take on more privately leased properties
- Promote joint working to private sector landlords