

APPENDIX 1:

Reducing the cost of Temporary accommodation – Action Plan

Action	Progress to Date	Additional cost for 2014/5 if initiatives were not in place.	Risk factors	
Homeless Prevention:				
Maximising the level of homelessness prevention focusing on initiatives to reduce the main causes of homelessness.	During quarter 1 2014/15 direct intervention prevented homelessness for 507 families	£3,295,500	Increased homelessness particularly from private rented sector evictions	
Maximising Access to the Private Rented Sector as homelessness prevention/discharge of the homelessness duty and for use as temporary accommodation				
Enhanced incentives to increase access to private rented accommodation to prevent homelessness and in discharge of the statutory homelessness duty through a range of flexible packages for landlords and agents	During quarter 1 this has assisted 60 households to access private rented accommodation as at average cost of £850 per household (this is usually in the form of underwritten bond guarantee)	£390,000	Increased difficulty in accessing private rented sector due to welfare reform and gap between LHA/market rents.	
Private Sector leasing – working with our leasing partners to offer an attractive range of packages to attract landlords to the scheme.	During quarter 1, 6 new properties have been brought on line	£39,000	Welfare reform and restrictive temporary accommodation subsidy levels has reduced the number of providers prepared to work in this field and also significantly reduced the available supply of accommodation.	
Use of Vacant dwellings				
Analysis of all vacant council dwellings for use as temporary accommodation	Cranbrook Court – provision of 26 self-contained temporary accommodation units	£111,043	A number of units have not been viable to the cost of refurbishment to basic health and safety standards. Proposals subject to planning permission.	
	Bellegrove – provision for on average 34 households	£245K		
	Additional planned Actions			Timescale
	Manorfields – business case presented for refurbishment to provide 45 units of temporary accommodation	If approved, the scheme would launch May 2015. Once operational £322K saving		
Increasing Affordable Housing Supply:				
Use of PIL to increase affordable housing supply	Purchase of 5 properties managed by our leasing scheme partner for TA provision	£32,500 (full year effect) – All five properties are now tenanted. (current budget assumes in year savings.		
	Additional planned Actions		Timescale	

	Expressions of interest being sought for schemes Autumn with the option to also consider schemes which may not fall within PIL restrictions but could be funded via capital funding	Prospectus to be sent to providers Autumn 2014.	Uncertainty regarding level of interest.
Reducing the cost of nightly paid Accommodation through reduced rates and alternative provision:			
Negotiating with NPA providers to offer block booking arrangements in return for reduced charges	During quarter 1 ,2 landlords have agreed to pilot block bookings at reduced fees	£12,500 achieved quarter 1. £50,000 (full year effect)	Limited take up due to level of demand across London and rising market rents.
Working across London as a whole to drive down rates.	Pan London working group in place. Rates agreed and options to jointly fund alternative accommodation to enable rates to be enforced being discussed	This could reduce cost pressures against current NPA numbers by between £500 - £600K per annum	Rising homelessness and temporary accommodation have made joint agreements difficult. Pan London commitment in place at Director and Leader level.
Focusing housing allocations on greatest need			
Reviewing the Allocations Scheme to ensure that it continues to focus on meeting greatest housing needs and addressing the homelessness pressure	Approved revisions to be launched April 2015.		