

REPORT TO CABINET

20 February 2019

Subject:	Emergency Accommodation Tender Exercise
Presenting Cabinet Member:	Councillor Kerrie Carmichael - Cabinet Member for Housing
Director:	Alan Caddick Director – Housing and Communities
Contribution towards Vision 2030:	 
Key Decision:	Yes
Forward Plan (28 day notice) Reference:	SMBC 05/09/2018
Cabinet Member Approval and Date:	Council Kerrie Carmichael – Cabinet Member for Housing
Director Approval:	Director – Housing and Communities Alan Caddick
Reason for Urgency:	Urgency provisions do not apply.
Exempt Information Ref:	Exemption provisions do not apply.
Ward Councillor (s) Consulted (if applicable):	This is a boroughwide initiative.
Scrutiny Consultation Considered?	Scrutiny have not been consulted.
Contact Officer(s):	Wendy Jones@sandwell.gov.uk Procurement Officer – procurement Services Kevin Tebbett@sandwell.gov.uk Kevin Tebbett, Business Manager – Housing Solutions

DECISION RECOMMENDATIONS

That Cabinet:

- 1.** Approves the adoption of the financial framework for the provision of emergency Bed and Breakfast accommodation for homeless households.
- 2.** Authorises the Director – Housing and Communities to enter into the framework agreement for the provision of emergency Bed and Breakfast accommodation for homeless households for a three year period with an annual spend of approximately £650,000 per annum.
- 3.** Authorises the Director – Housing and Communities to liaise with the Sandwell Children’s Trust in connection with Resolution (2) above.

1 PURPOSE OF THE REPORT

- 1.1 This report seeks approval for the adoption of the financial framework for the provision of emergency Bed & Breakfast (B&B) accommodation.

2 IMPLICATIONS FOR SANDWELL’S VISION

- 2.1 Preventing and reducing homelessness in all its forms contributes to improving a wide range of both physical and mental health factors that will have a direct and positive impact on Sandwell’s Vision. In particular, it will impact on Ambitions Two and Five.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 A review of Off Contract spend has led to the development and introduction of a financial framework for the provision of emergency accommodation i.e. B&B accommodation.
- 3.2 The Council has a duty to provide emergency accommodation where there is reason to believe an applicant may be homeless, eligible and have priority need. Accommodation will continue to be provided if the household is awarded homeless priority until the duty is discharged most likely through an offer of accommodation. This function is provided by the Housing Solutions Service.
- 3.3 In addition, it was identified that the Children’s Trust utilises B&B accommodation on a regular basis and therefore, it was agreed that this framework document will also be available for use by the Trust for sourcing emergency accommodation.

- 3.4 An initial tender exercise commenced on 29th May 2018 and completed on 6th July 2018. However, as there was only one compliant tender, it was decided to re-advertise to increase the number of expressions of interest.
- 3.5 The second tender exercise recommenced on 5th November 2018. Five expressions of interest were received of which four were compliant tenders were returned by the deadline of 7th December 2018.
- 3.6 The compliant tenders received have been evaluated in accordance with the criteria stipulated within the tender documentation and appear in appendix one

4 THE CURRENT POSITION

- 4.1 A range of B&B establishments are currently used dependent on availability of rooms and the family size of the households that present at crisis. All establishments are inspected by Officers from the Housing Quality Team in Regulatory Services before any establishments are used. In addition, Accommodation Officers within the Housing Solutions Service undertake visits to the B&Bs and any issues / concerns are reported to the Housing Quality Team.
- 4.2 During 2017/18, the spend on B&B accommodation was £112,638 for Neighbourhoods and £549,163 for Children's Services.
- 4.3 It has been identified that the Children's Trust were paying higher rates than Neighbourhoods when utilising the same B& B establishments.
- 4.4 There has been an increase in the use of the emergency accommodation within Neighbourhoods during the previous 12 months due to the introduction of the Homeless Reduction Act. This has introduced additional prevention duties for local authorities which has meant that due to the lack of suitable offers of alternative housing clients have remained longer in temporary accommodation.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 Not Applicable.

6 ALTERNATIVE OPTIONS

- 6.1 The Council has a statutory duty to provide emergency accommodation under certain circumstances as outlined in 8.1. As many households present at crisis it leaves little opportunity to prevent the homeless situation from occurring and as a result it is necessary to have access to emergency accommodation at very short notice. In addition, approaches can be received out of hours and therefore, there is the need to have access to emergency accommodation at all times.
- 6.2 However, there is a drive to increase the use of the Councils own stock as emergency accommodation, which will reduce the use and cost of B&B accommodation.

Following a presentation at the Safer Neighbourhoods and Active Communities Scrutiny Board on 4th October 2018 as reported to Cabinet on 12th December 2018, it was recommended that the use of some of the council owned housing stock be increased to make effective use of properties to reduce costs relating to securing externally sourced temporary accommodation.

- 6.3 Currently there are 11 units of council accommodation in use and it is envisaged that this will increase to 50 units by April 2019. As a result, the use of B&B will reduce quite significantly during 2019/20.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 The total expenditure on B&B accommodation within Neighbourhoods for the period 2017/18 was £112,638 and for the Children's Trust it was £549,163.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 There is an interim duty to provide emergency accommodation under s188 of the Homeless Act 1996 where there is reason to believe that an applicant may be homeless, eligible and have priority need. Full duty applies s193, once the investigations have been completed and the household is in priority need, emergency accommodation will continue to be provided until the duty is discharged, most likely, until the provision of reasonable offer of accommodation is made.
- 8.2 Bed and Breakfast (B&B) is defined in the Homeless Suitability Order 2003 as a form of privately owned accommodation in which residents share facilities such as kitchens, bathrooms and /or toilets, and is usually paid for on a nightly basis.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 There are no significant equality issues arising from this report. The Housing Solutions Service will provide support to vulnerable people, such as Rough Sleepers and households who are roofless and present at crisis.
- 9.2 The provision of emergency accommodation will have a positive impact on clients who are roofless by ensuring that emergency accommodation is provided at short notice when required.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 The sharing of any relevant data for the implementation of this financial framework will be in compliance with the General Data Protection Regulations.

11 CRIME AND DISORDER AND RISK ASSESSMENT

- 11.1 There are no direct crime and disorder implications arising from of this report.

12 SUSTAINABILITY OF PROPOSALS

- 12.1 The approach to the reduction in the use of B&B accommodation by increasing the use of the Councils own stock will largely eliminate the continued need to source emergency accommodation through the use of B&Bs

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

- 13.1 The provision of emergency accommodation where no other alternative housing exists will contribute to the clients improved health and wellbeing.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

- 14.1 None

15 **CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

- 15.1 The introduction of a financial framework will ensure that the most competitive rates are achieved for the provision of B&B accommodation for both Neighbourhoods and the Children's Trust.
- 15.2 The tender exercise has resulted in a saving for the Children's Trust as they will access the same B&B rates as Neighbourhoods and remove the current inconsistency in the higher rates charged to the Children's Trust than charged to Neighbourhoods.
- 15.3 Therefore, it is recommended that Cabinet approve the adoption of the financial framework for the provision of B&B accommodation. The four B&B establishments would be approached in the following order for vacancies:

- 1st Bearwood Court Hotel
- 2nd The Royal Hotel
- 3rd The Dormy Hotel
- 4th The Prince Hotel

16 **BACKGROUND PAPERS**

- 16.1 Homeless Reduction Act 2017
- 16.2 Homelessness Code of Guidance
- 16.3 Homeless Suitability of Order 2003
- 16.4 Report to Cabinet: Recommendations Arising from Scrutiny Boards 12th December 2018

17 **APPENDICES:**

Appendix: Tender Return Results

Alan Caddick
Director – Housing and Communities

Tender Evaluation - Emergency Accommodation SCC 101

The Bearwood Court Hotel

	Cost per night	Cost per week (i.e. 7 nights)	Cost per month (i.e. 30 nights)
Single Room	£29.17	£204.19	£875.10
Double Room	£33.34	£233.38	£1,000.20
Family Room	£45.84	£320.88	£1,375.20
Disabled Access Room	£33.34	£233.38	£1,000.00
Triple Room 3 people	£41.67	£291.69	£1,250.10

The Royal Hotel

	Cost per night	Cost per week (i.e. 7 nights)	Cost per month (i.e. 30 nights)
Single Room	£29.17	£204.19	£875.10
Double Room	£33.34	£233.38	£1,000.20
Family Room	£45.84	£320.88	£1,375.20
Disabled Access Room	£33.34	£233.38	£1,000.20
Triple Room 3 people	£41.67	£291.69	£1,250.10

Dormy Hotel

	Cost per night	Cost per week (i.e. 7 nights)	Cost per month (i.e. 30 nights)
Single Room	£35.71	£250.00	£1,071.30
Double Room	£50.00	£350.00	£1,500.00
Family Room	£70.00	£490.00	£2,100.00
Disabled Access Room	£70.00	£490.00	£2,100.00

Prince Hotel

	Cost per night	Cost per week (i.e. 7 nights)	Cost per month (i.e. 30 nights)
Single Room	£50.00	£350.00	£1,500.00
Double Room	£80.00	£560.00	£2,160.00
Family Room	£120.00	£840.00	£3,240.00
Disabled Access Room	£100.00	£700.00	£2,700.00