

SUBJECT: LEASE APPROVAL FOR HOMELESS ACCOMMODATION – 2 Beech Crest, Gilwern
MEETING: COMMUNITIES & PLACE DMT
DATE:
DIVISION/WARDS AFFECTED: ALL

1. RECOMMENDATIONS:

1.1 To agree to sign up to a lease agreement as follows :-

- 3-year lease at 2 Beech Crest, Gilwern, NP7 0DA - Monthly rental £1200

This property will enable the Council to provide a 4-bedroom property for a household who will become homeless in the New Year. The property not only avoids the Council having to utilise B & B, but it also avoids three children being placed into B & B.

2. RESOURCE IMPLICATIONS:

2.1 The estimated net cost in taking on this property is listed in the below tables :-

Property	2 Beech Crest	Total
No. of Beds	4	
Lease Term (Years)	3	
Weekly Rental	276.92	
Weekly DWP Rate	166.16	
Total Rental	14,400.00	14,400.00
Total Voids	1,329.28	1,329.28
Total Arrears	1,329.28	1,329.28
Maintenance	1,200.00	1,200.00
Service Charge		
Total Exp		18,258.56
DWP Income	-8,640.32	-8,640.32

Total Income		-8,640.32
Net Cost		9,618.24

B&B Comparison		Total
Weekly Rental	770.00	
Weekly DWP Rate	95.77	
Total Rental	40,040.00	40,040.00
Maintenance	1,200.00	1,200.00
DWP Income	-4,980.04	-4,980.04
Net Cost		36,259.96
Cost Avoidance		26,641.72

2.2 The lease of this property will have the following impact on the Council's temporary accommodation base:-

- The household identified for this property will have to vacate their current private accommodation in the New Year. They have been working with MCC under a prevention duty. Due to the size of the household the family would otherwise be accommodated in B&B due to a shortage of four bed properties.
- Though this acquisition would not facilitate a reduction in B&B use directly, it would save an estimated £29,041.72 by preventing a placement of a large family into B&B.

2.3 The priority will continue to be to allocate this property intended for homeless use to households currently residing in B & B, thereby reducing the use of B & B. The property will typically and wherever possible, be offered to applicants who have been residing in B & B the longest, but other housing need factors will also need to be taken into consideration on a property by property basis, such as the immediate needs of other homeless households (for example, serious health/medical conditions or safeguarding issues) needing temporary accommodation and type, size and location of the accommodation available. Homeless households normally will be able to remain in the accommodation until permanent social housing becomes available and a successful bid has been accepted.

2.5 The adoption of this recommendation will not produce a core budget saving, but it will help reduce the current pressure the authority faces with the cost of Homelessness provision. The uplift in accommodation base will cost £7,218.24 but saves a cost of £29,041.72 when compared with having to accommodate in B&B due to a lack of alternative options.

2.6 In addition, the adoption of the recommendation might not result in a permanent reduction in the use of B & B due to the following:

- a possible suppressed and hidden homeless need that is believed to exist in the County, which cannot be evidenced,
- because of a current number of households who are known to need temporary accommodation in the near future,
- even if a vacancy in temporary accommodation exists, it may not be suitable for an individual household due to specific needs and requirements, which could relate to household size, disability or location for example to mitigate against a threat of violence or safeguarding and
- 'Whole system variables' that are out of the control of the Council such as an increase in homeless demand (e.g. unexpected spikes in demand) that cannot be prevented and/or a reduction in social housing properties becoming vacant impacting upon move-on from homeless.

2.7 Deciding on this property needs to take in the context of a number of on-going risks that could impact on future resource implications for the Council. These include:

- Both homeless and Ukrainian related demand can vary in terms of both the numbers of households and the type of households which may impact on B & B use. The Council is trying to mitigate against this by seeking to identify early homeless intervention opportunities;
- The current cost of living crisis, whilst not directly having impacting on accommodation provision yet, could result in an increase in homeless presentations relating to rent or mortgage arrears.
- The Council is seeing an increase in private rented landlords leaving the sector due to market and regulatory conditions. This will potentially impact on both presentations and loss of Monmouthshire Lettings temporary accommodation provision. Landlords not wanting to accommodate homeless households is an on-going challenge.
- Settled and permanent accommodation vacancies can vary in availability relating to existing tenants needing or wanting to move on and having the options available to facilitate moving.
- New and additional permanent social housing, supported housing and temporary accommodation delivery is being impacted by a number of issues that are presenting challenges to the Council which although expected to continue, overcoming or working around is an on-going priority. For example, phosphate related restrictions, revenue and capital availability, grant funding eligibility etc.

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