

NOTICE OF MOTION**GREEN GROUP
COUNCIL OWNED SHORT-TERM HOMELESSNESS ACCOMMODATION**

This Council resolves:

1. That as a matter of urgency, to request that a report be brought to Housing & New Homes Committee on the business case modelling for a “spend to save” purchase of emergency accommodation by the council and that this modeling:
 - (i) Estimates revenue savings on current expenditure of private provision;
 - (ii) Estimates the capital appreciation that would flow to the council through ownership of Emergency accommodation;
 - (iii) Explores the potential to offer greater support to residents of emergency accommodation from any savings achieved;
 - (iv) That such modeling also consider the feasibility of temporary housing purchases, in addition to the existing HRA purchasing policy;
2. That this modelling be reported to the Policy, Resources & Growth committee, in order to explore acquiring such accommodation, including detail on possible timetables, plus any policy changes and delegated powers needed to enable purchases to take place.

Proposed by: Cllr Gibson

Seconded by: Cllr Greenbaum

Supporting information:

- 1) In 2016/17, £0.571m in Housing Benefit was used to cover the cost of Emergency Accommodation landlord charges in the city; and £16.66m in Housing benefit payments were used to cover temporary accommodation costs. (<http://bit.ly/2AdZ9pi>)
- 2) Given cheap borrowing rates, right to buy receipts and prospective rental income it is likely to prove cost effective for the Council to acquire buildings (e.g. via Public Works Loans Board and Right to Buy funds) to directly provide short term homelessness accommodation rather than use private providers. Current PWLB rates are just over 2% for a 30 year loan.
- 3) Investment in emergency/temporary accommodation can allow the council to save on future revenue. Reports on a similar initiative from Shepway Council detailed that providing 12 units of temporary accommodation in-house would save £0.186m per year and produce ‘*a far superior housing solution*’ with ‘*long term capital asset value*’ (<http://bit.ly/2zQm4l7>)
- 4) Initial modelling suggests rental income would generate a surplus which could be used to provide much-needed support services for residents, who are often at crisis point. Current private Emergency/Temporary Accommodation providers, such as Baron Homes and Helgor Trading, are not contracted to provide such support services.

