

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT & NEIGHBOURHOOD SERVICES

TO:	HOUSING, NEIGHBOURHOODS & LEISURE COMMITTEE		
DATE:	1 APRIL 2014	AGENDA ITEM:	10
TITLE:	2 WENSLEY ROAD REMODELLING AND REFURBISHMENT		
LEAD COUNCILLOR:	COUNCILLOR RICHARD DAVIES	PORTFOLIO:	HOUSING
SERVICE:	HOUSING NEEDS	WARDS:	MINSTER
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 2 Wensley Road is a temporary accommodation property which was used in the past to house statutorily homeless households. The property has not been used for the last 2 years and this report sets out the proposal to remodel and refurbish it and bring it back into use for homeless households.

2. RECOMMENDED ACTION

- 2.1 That Committee approves the proposal to bring 2 Wensley Road back into use as temporary accommodation to house statutorily homeless households.

3. POLICY CONTEXT

- 3.1 The Council has a statutory duty to provide temporary accommodation to households who are statutorily homeless. The Council currently fulfils this duty through the provision of accommodation within its temporary accommodation portfolio which consists of:

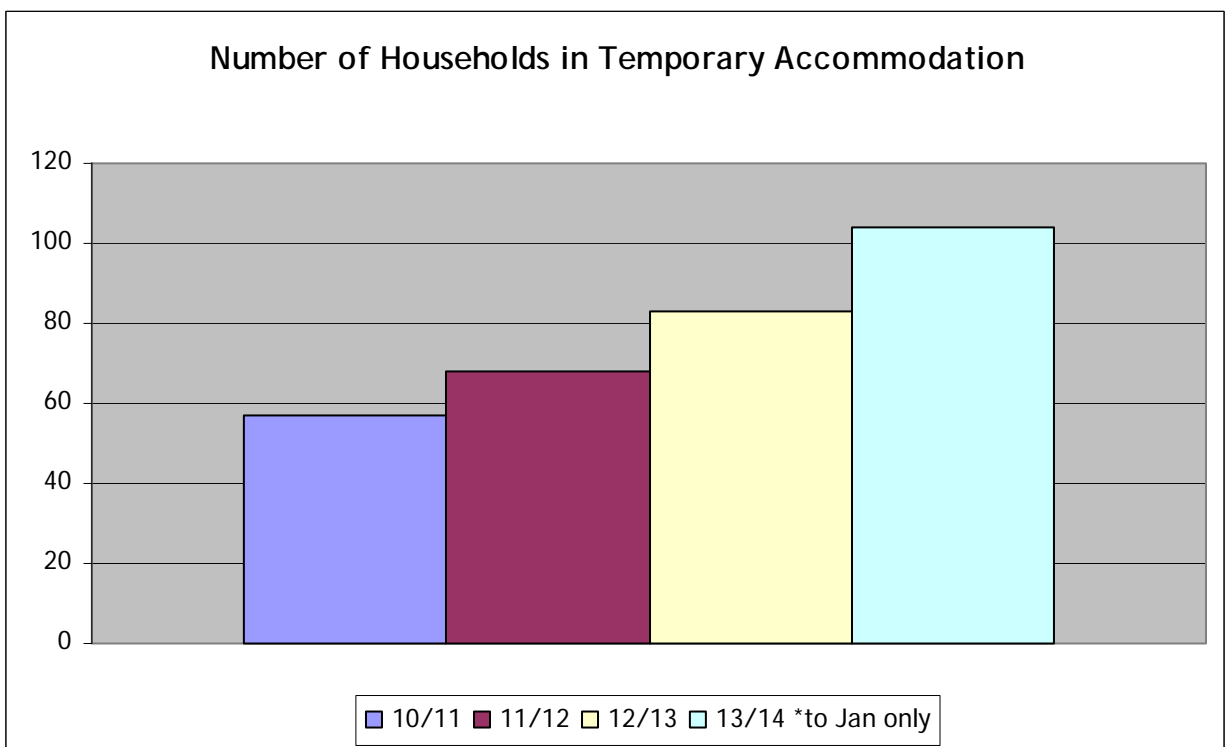
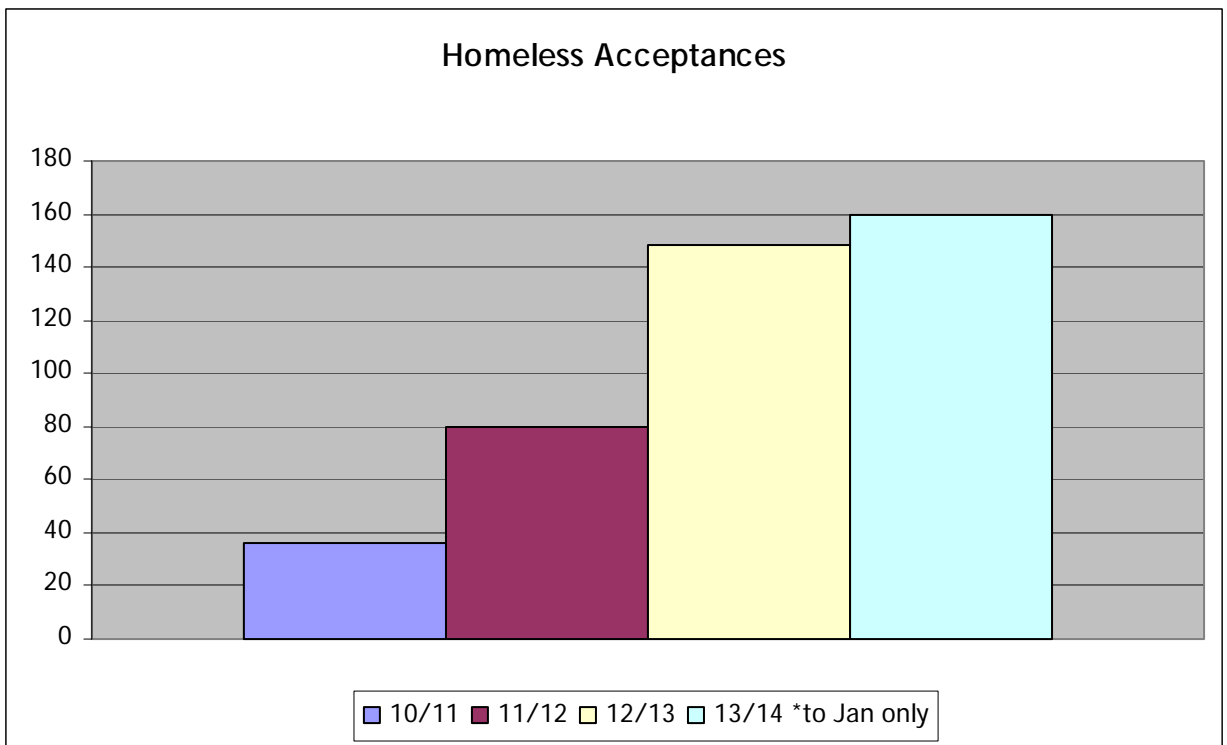
- 125 Basingstoke Road - 52 units of self contained accommodation which includes bedsits and 1 and 2 bedroom flats
- 5 private sector short term leased properties
- 52 Coronation Square - 15 refurbished units are due to be brought back into use in April as detailed below.

In addition the Council has to use Bed and Breakfast accommodation both inside and outside the borough to meet demand which exceeds capacity in its own temporary accommodation. Government guidance is clear that shared-facility properties should only be used for pregnant women and families with children in an emergency and for a short period of time. The duty to accommodate statutorily homeless households only ends at the point where they secure Council or Housing Association accommodation.

- 3.2 From 2005 the Housing Needs Service changed its approach in dealing with homelessness to an early intervention model which sought to prevent

homelessness as opposed to just accommodating households on an emergency basis as and when they became homeless. This approach was significantly strengthened by the growth of the Deposit Guarantee Scheme whereby the service matches potentially homeless households with private sector properties and guarantees the deposit to the landlord on behalf of the prospective tenant. The tenant in turn is then housed before it reaches the point where the Council would have to accommodate them in temporary accommodation. The tenant is enabled to save for their own deposit whilst they remain on the scheme.

- 3.3 This approach has reaped significant benefits in that the number of homeless households that the Council had a duty to accommodate in temporary accommodation fell significantly from 241 in December 2004 to 52 by December 2009. This in itself meant that all the property that was available for temporary accommodation was not needed and the service was able to cease the use of units with shared facilities - as noted above, these were no longer deemed suitable for use by homeless families and pregnant women except as very short term emergency accommodation. This resulted in both 52 Coronation Square (Jimmy Green Court - 21 units) and 2 Wensley Road (23 units) being taken out of use. Alternative options were explored for these properties including possible redevelopment and the use of the units by other services but none of these proved feasible at the time.
- 3.4 By 2010/11 despite this robust approach to prevention of homelessness, the numbers of households needing to be accommodated in temporary accommodation started to rise as more people began to present as homeless and as a consequence more fell within the Council's statutory duty to accommodate. The effect of the economic crisis in the country and the potential impact of new Government policy changes in relation to welfare reform meant that there was a considerable chance that homelessness would continue to rise. It was therefore felt prudent to retain both properties at 2 Wensley Road and 52 Coronation Square in case there was a requirement to increase capacity.
- 3.5 By the end of 2012/13 homeless acceptances had increased from 36 in 2010/11 to 148. The Deposit Guarantee Scheme was unable to stem the flow of this increase through early intervention as it became more difficult to procure private sector properties. In addition as people came off the scheme, at the point where they had saved their own deposit, the majority of households were choosing to remain in the properties instead of seeking alternative accommodation and so fewer properties became available to re-let within the scheme.
- 3.6 The number of units of temporary accommodation was no longer sufficient to accommodate all of the homeless households to which the Council had a duty. This led to increasing numbers of households being placed in Bed and Breakfast which not only had a significant impact on the budget but was also wholly unsuitable accommodation for anything other than emergency use. The graphs below show the trend in increasing homelessness from 2010/11 and consequently the increase in the numbers of households that have been placed in temporary accommodation.



3.7 On the basis of growing need for temporary accommodation a decision was taken to bring the property at 52 Coronation Square back into use. The property has been remodelled to provide 15 units of self contained 1 and 2 bedroom flats and will be ready for use at the end of this financial year.

4. THE PROPOSAL

Current Position

- 4.1 The numbers of homeless acceptances as at January 2014 stood at 160 and continues to rise. There are currently only 57 units of accommodation for use as temporary accommodation with another 15 due to come on-line in the new financial year. Homeless households have to remain in temporary accommodation until such time as they can be re-housed through the Housing Register into permanent accommodation. There are currently 52 households in Bed and Breakfast and a current pressure of £224,000 on this year's Bed and Breakfast budget. Additional budget provision has been made in next year's budget to meet a projected pressure of £249,000.

Options Proposed

- 4.2 It is proposed that the property at 2 Wensley Road is now brought back into use to provide much needed temporary accommodation. The property is currently undergoing a feasibility study for refurbishment and the creation of 1 and 2 bedroom self-contained units. This will also fully explore whether it is possible to provide any limited parking facilities.
- 4.3 Local residents may have concerns about bringing the property back into use as there is often a perception that homeless households will bring problems to an area. The reality is that the majority of homeless households do not present any difficulties at all. This aside, however, the service will ensure that services are in place to minimise as much as possible any problems for local residents that may be created by a minority of tenants. The following services will be put in place:
- All households who are allocated temporary accommodation will undergo an assessment to determine whether they have any support needs and if so will be allocated a support worker to assist them in addressing particular areas of need and helping them to sustain their accommodation.
 - Any households with children will be linked into the local Children's Centre
 - A Housing Officer will visit the property regularly to ensure that it is being maintained properly and that tenants are abiding by the terms of their licence agreements.
 - Housing Officer surgeries will be held on a regular basis to pick up any areas of concern which tenants may have and provide information on and links into local services.
 - An Anti-Social Behaviour Officer will have responsibility for dealing with any issues that may arise and will take swift remedial action where required.
 - Tenants will also be offered a range of debt, budgeting advice and employment advice should they require it.
 - The parking of cars will be monitored to minimise any issues that may arise.
- 4.4 It is anticipated that the feasibility study will be completed by the end of this financial year and a specification drawn up by May. The project will be tendered to one subcontractor in order to get the best value for money and an

early completion date. The start of work on site is likely to commence in August with a 12-16 week programme of work. Timescales will be clearer once the specification is completed.

Other Options Considered

- 4.5 Consideration was given to procuring further short term let private sector properties for use as temporary accommodation, however, at an approximate revenue cost of at least £216,000 per annum for 20 properties and a tie-in of at least 3 years plus the cost of maintenance, management and void repairs this would not offer good value for money. In addition procuring properties for short term lets may have a negative impact on the ability to procure Deposit Guarantee Scheme properties and have an unintended consequence in terms of reducing homeless prevention activity.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 Provision of suitable temporary accommodation reduces the need to use Bed and Breakfast accommodation which is undesirable accommodation for long term use. Remodelling and refurbishing 2 Wensley Road will promote equality, social inclusion and a safe and healthy environment for homeless households.

6. COMMUNITY ENGAGEMENT AND INFORMATION

- 6.1 We will engage with the local community to provide assurances as set out above in relation to the perceived issues that may arise. Details of who to contact should there be any concerns will be made available

7. EQUALITY IMPACT ASSESSMENT

- 7.1 An Equality Impact Assessment is not relevant to this decision.

8. LEGAL IMPLICATIONS

- 8.1 The Council has a statutory duty to provide temporary accommodation to all homeless households who apply for assistance and who are considered to be statutorily homeless.

9. FINANCIAL IMPLICATIONS

- 9.1 A capital funding provision of £300,000 has been made in the budget for works to Council housing stock 2014/15 to cover the cost of the work required, which was approved through Council on 25th February. The property will generate a rental income for the HRA which will cover the cost of management, repairs and maintenance.

10. BACKGROUND PAPERS

None.

FINANCIAL IMPLICATIONS

The financial implications arising from the proposals set out in this report are set out below:-

1. Revenue Implications

The property will generate a rental income for the HRA which will cover the cost of management, repairs and maintenance.

2. Capital Implications

Capital Programme reference from budget book: page line	2010/11 £000	2011/12 £000	2012/13 £000
Proposed Capital Expenditure	£300,000		
Funded by Grant (specify) Section 106 (specify) Other services Capital Receipts/Borrowing	HRA		
Total Funding	£300,000		

3. Value for Money (VFM)

Bringing 2 Wensley Road back into use will reduce the pressure on the General Fund Bed and Breakfast budget at a time when demand is increasing and budgets are significantly stretched.

4. Risk Assessment

If 2 Wensley Road is not brought back into use the pressure on the General Fund Bed and Breakfast budget will continue to rise.