

Classification: Open	Decision Type: Key
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Report to:	Cabinet	Date: 08 January 2025
Subject:	Huntley House and Silver Street- Homeless Temporary Accommodation and Support	
Report of	Cabinet Member for Housing Services	

1 Summary

- 1.1 A proposal has been made by JDBR Investments Ltd, that owns two large properties known as “Huntley House” and “18- 22 Silver Street”, for it to improve each property and then offer them out for the provision of multiple units of temporary supported accommodation for the relief of the districts homeless people who are also in need of support to enable them to maintain a tenancy and prepare them for a later move to independent living in permanent housing. For the Council this solution will be far less expensive and more desirable than the current use of B&B/hotel accommodation.
- 1.2 For this to be achieved JDBR Investments Ltd need to enter into a lease with a Private Registered Provider of Social Housing (“RP”) specialising in providing Supported Housing. In turn the Council and RP will need to enter into a Nomination Agreement so the Council can secure exclusive nomination rights for accommodating these people to whom it owes homelessness duties.
- 1.3 The Nominations Agreement may need to include the Council agreeing to indemnify the RP for any loss of rent in the event the Council cannot fill all the accommodation units within each property. The RP will expect this if the Council wishes to have exclusive nomination rights. Officers advise that the need for this type of accommodation is such that there is little if any risk that any of the units will be empty for any material period of time. And that in any event the use of these properties will give a significant saving compared to the only other alternative currently available being B&B/hotel type accommodation.
- 1.4 The Council will also need to arrange a third-party supplier to provide the necessary support to the residents taking up occupation.

2 Recommendation(s)

- 2.1 Consequently, this report asks Cabinet to:

1. Note a proposal being made by JDBR Investments Ltd and its opportunity and implications for the Council.
2. Approve that the Council should enter into a 5 (five) year exclusive Nominations Agreement with the selected RP in relation to both "Huntley House" and "18- 22 Silver Street" enabling the Council to refer homeless people to it to include if necessary agreeing to indemnify the RP for any loss of rent in the event the Council cannot fill all the accommodation units within each property.
3. Approve that the Council should procure and enter into a 4 + 1 year contract for the supply of Support Services to support those people who will be taking up residency in in both "Huntley House" and "18- 22 Silver Street".
4. And that authority is delegated to the Executive Director (Strategy & Transformation) to agree best possible terms for the Council in each contract.

3 Reasons for recommendation(s)

- 3.1 There has been a significant increase of homeless single people and families requiring temporary accommodation and support to sustain their tenancies to whom the Council owes housing duties under homelessness legislation. These people are currently accommodated in B&B/hotel provision funded by Bury Council General fund as there are no direct allocated funding streams from central Government.

4 Alternative options considered and rejected

- 4.1 This is a unique opportunity offered to Bury Council to deliver housing and support for homeless people. The only other option is to reject the offer, which will then miss the opportunity to increase the supply of better quality housing for those in need in the district and to save the Council significant sums of money.

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5 Background

- 5.1 Huntley House is in Bury and is a building comprising of 19 individual units with their own facilities, including kitchens and bathrooms. There is also communal laundry provision for occupants.
- 5.2 18- 22 Silver Street is in Bury and comprises 8 self-contained flats for the purpose of accommodating homeless people. The flats are located at Silver Street in the Bury Town Centre area and are of high quality and specification.
- 5.3 Both properties have previously been used for homeless accommodation and asylum seeker accommodation.
- 2.1 A proposal has been made by JDBR Investments Ltd for it to improve each property and then offer them out for the provision of multiple units of temporary supported accommodation for the relief of the districts homeless people who are also in need of support to enable them to maintain a tenancy and prepare them for a later move to independent living in permanent housing. For the Council this solution will be far less expensive and more desirable than the current use of B&B accommodation.
- 2.2 JDBR Investments Ltd will do improvement works to both buildings and their flats to meet Bury Council's standards. Spending at Huntley House £60,000 and £130,00 at 18-22 Silver Street.
- 2.3 For this to be achieved JDBR Investments Ltd need to enter into a lease with a Private Registered Provider of Social Housing ("RP") specialising in providing Supported Housing. In turn the Council and RP will need to enter into a Nominations Agreement so the Council can secure exclusive nomination rights for accommodating these people to whom it owes homelessness duties.
- 2.4 The Nominations Agreement may include the Council agreeing to indemnify the RP for any loss of rent in the event the Council cannot fill all the accommodation units within each property. The RP will expect this if the Council wishes to have exclusive nomination rights. Officers advise that the need for this type of accommodation is such that there is little if any risk that any of the units will be empty for any material period of time. And that in any event the use of these properties will give a significant saving compared to the only other alternative currently available being B&B type accommodation.
- 2.5 The Council will also need to arrange a third-party supplier to provide the necessary support to the residents taking up occupation.
- 2.6 The local authority continues to face challenges to accommodate homeless people in the correct provision. Therefore, these additional units present a good option to deliver housing and support to reduce rough sleeping and also prevent

repeat homelessness. Plus this type of accommodation will cost far less money than the current use of B&B/hotel provision.

6 Current position

- 6.1 There is an affordable housing shortage crisis in the UK and in Bury. This puts massive pressure on the Council's homeless services and its duties to homeless people. Members are referred to the Briefing Paper that supports this Report that describes the current challenges confronting the Council.
- 6.2 The Council uses B&B/hotel accommodation to provide temporary accommodation to people it owes housing duties to. This is the least preferable type of accommodation and most expensive. It is also a poor and/or impossible context in which to provide additional support to people in need of it to enable them to develop skills to sustain tenancies.
- 6.3 The proposal and recommendations set out in this Report seek to address and mitigate these issues.

8 Risks

- 8.1 Bury Council is currently utilising Bed and Breakfast and hotel accommodation which is costly and does not provide the correct space for people to develop independent living skills for tenancy sustainment in the future. This option proposed in this Report would create extra capacity at no extra cost to the Council. Please refer to 9.3 which outlines the financial risk to the Council.
- 8.2 Huntley House has had interest from other local authorities, especially from London Borough councils. If Bury Council does not take the opportunity to utilise Huntley House, it potentially creates a risk that the building will then be offered to other Councils with subsequent increases in out of borough placements into Bury which could add further pressures on the Council and public services.
- 8.3 Demands and pressures on homeless statutory provision is increasing and likely to increase further due the housing market. It is important the Council considers all options and opportunities to increase supply of temporary accommodation to ensure statutory duties are met and the correct support is delivered.

9 Funding

- 9.1 Funding would be provided by existing funding streams that are provided by the Ministry of Housing, Communities and Local Government (MHCLG) and the Home Office. These monies remain unspent by the authority.

External Funding/Grants	Funding amount
Homes for Ukraine	£1.365m
Homes for Ukraine 24-25	£0.416m

Dispersal Grant 23-24	£0.315m
Dispersal Grant 24-25	£0.315m
Afghan Relocation assistance Policy	£0.350m
Total Funding	£2.756m

9.2 It is important to deliver holistic housing support, as the risk of repeat homelessness is high as the number of people with complex needs continues to increase. As well as the primary result being people able to manage future tenancies, this is a cost-effective approach to reduce homelessness in the future.

9.3 The below tables illustrate the cost to the authority using hotel and Bed and Breakfast accommodation for singles and families, and the reduction in costs with the proposed recommendations.

Hotel Provision	Year 1	Year 2	Year 3	Year 4	Year 5	Overall average
14 Singles	£0.349 m circa	£0.359 m circa	£0.369 m circa	£0.380 m circa	£0.391 m circa	£1.8m
8 x Family of 4	£0.268 m circa	£0.309 m circa	£0.318 m circa	£0.320 m circa	£0.329 m circa	£1.2m

Huntley House and Silver Street Provision	Year 1	Year 2	Year 3	Year 4	Year 5	Overall average
4 plus 1-year Commissioned support	£0.180 m	£0.180 m	£0.180 m	£0.180 m	£0.180 m	£0.900 m

9.4 It is estimated that the Council will save £2m circa if the Council was to commission Huntley House and Silver Street

9.5 The rent setting for individual flats will be tested by the Council to ensure that it meets Housing Benefit regulations. For this purpose, there is a need for a Registered Housing Provider. The figures for both schemes are detailed below:

Huntley House, Bury	Weekly Core Rent, Housing benefit subsidy
1 x self-contained units	£230.96
19x self-contained units	£0.438.8m

Total cost per year	£0.228m
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Silver street, Bury	Weekly Core rent, Housing benefit subsidy
1 x One bedroom property	£230.96
8x One bedroom property	£0.184.7m
Total cost per year	£0.960.0m

10 Links with the Corporate Priorities:

The Bury Homelessness Strategy aims to deliver the agreed objective of eliminating all rough sleeping in Bury, by preventing homelessness and providing 'enabling support' towards independence. The Bury Homelessness Strategy also aligns to the Bury Let's Do It Strategy which provides the vision to enable people of all ages to live well within their neighbourhoods.

Local

- Local housing options for local people
- Developing and regenerating the unique townships where people live
- Prevent the need for Bury residents to have to move out of the borough to have their needs met.
- Bring Bury residents back in borough if its right for them.
- Work with local developer's and providers who know the local area.

Enterprise

- Encouraging enterprise to drive inclusive economic growth through our business community.
- Enterprising innovation and creative solutions to current housing issues.
- Be bold in our housing solutions and future developments in Bury.

Together

- Working together to design quality, fit for purpose homes for people with additional needs in Bury.
- Working together with service users, their cares and families to shape accommodation options and design.
- Working together to ensure inclusivity throughout the housing agenda.

Strengths

- Taking a strength- based approach to recognise the assets and strengths of communities.
- Recognising the strengths of individuals enabling their independence, choice, and control for housing.

11 Links with the Greater Manchester Combined Authorities Priorities:

Greater Manchester Housing First manifesto aims to deliver agreed objectives which include.

- Supply: Working at GM level to offer direct and indirect support to drive the delivery of housing supply to ease the housing crisis and contribute to economic growth.
- Standards: Working at GM level to support the development and delivery of interventions to ensure existing homes are safe, secure, healthy and affordable across all tenures.
- Support: GM level activity that transforms how residents are supported to live healthy, independent lives at home, that integrates services and improves ways of working, delivering better outcomes and reducing costs within wider public services. This is integral to and will be closely aligned with the Live Well model.

Equality Impact and Considerations:

Please provide an explanation of the outcome(s) of an initial or full EIA and make **specific reference regarding the protected characteristic of Looked After Children**. Intranet link to EIA documents is [here](#).

The outcomes of the initial equality analysis are positive. The service will be available for people with complex needs who are struggling in accessing accommodation and need support to develop independent living skills.

Environmental Impact and Considerations:

An environmental impact assessment has not been undertaken for the review, as there are no implications or carbon impact of this decision.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
Increase in demand of people are homeless accessing the service and have complex needs (mental health, offending histories, and substance misuse problems).	The proposal considered the pathways which are required to ensure early identification of single homeless people and families that require temporary accommodation. It includes different ways of working to develop support packages which are not only tenancy related but provide interventions for

	<p>other aspects of people lives to develop independence and resilience.</p> <p>The scheme will ensure that there is a balance of needs of people within the scheme, to ensure that the dynamics are manageable for sustainably of the building.</p>
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Legal Implications:

The Council intends to procure support services and should ensure that any procurement process is compliant with the applicable regulations and suitable contracts entered into with the successful provider(s).

A Nominations Agreement will be entered into with the Registered Housing Provider to ensure that the places at these properties are secured for use by the Council. To secure exclusive rights the Council will probably need to provide compensation in the event any of the units remain unlet. The author of the Report advises that the risk of this is remote and worth taking to make the savings set out.

It is noted that funding will be sourced from the Ministry of Housing, Communities and Local Government (MHCLG) and the Home Office, and the Council should ensure that any conditions associated with this grant funding continue to be complied with.

Financial Implications:

The financial implications are detailed in the body of the report and will be reflected in the medium term financial strategy.

Appendices:

Please list any appended documents.

Background papers:

Please list any background documents to this report and include a hyperlink where possible.

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
GM	Greater Manchester
B&B	Bed and Breakfast

MHCLG	Ministry of Housing, Communities and Local Government
CAS3	Community Accommodation Service Tier 3