

## Private Housing Partnerships 222 Upper Street N1 1XR

## **Report of: Executive Member for Homes and Commuities**

Meeting of:	Date:	Ward(s):
Executive	9 June 2022	All
Delete as appropriate		Non-exempt

# SUBJECT: Procurement Strategy for Nightly Purchased Accommodation

## 1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of nightly purchased accommodation in accordance with Rule 2.8 of the council's Procurement Rules.
- 1.2 This framework agreement is in place to ensure that the provision of nightly paid accommodation can match the future demands of the housing needs service and promotes the provision of quality temporary accommodation for the residents of Islington.

## 2. Recommendations

- 1.3 That the procurement strategy for the procurement and management of nightly purchased temporary accommodation be approved as outlined in this report.
- 1.4 That the Executive delegate authority to award any contract from the framework agreement to the Corporate Director of Homes and Neighbourhoods following consultation with the Executive Member for Housing and Development

## 3. Background

#### 3.1 The Contract

- 3.1.1. This contract will enable the council to temporarily house homeless households it has a statutory duty towards under the homelessness legislation as laid down in the 1985 and 1996 Housing Acts and the 2017 Homelessness Reduction Act. Additionally, the council will be able to fulfil its duties under the Care Act and Children's Act, through offering temporary accommodation to clients who have No Recourse to Public Funds (NRPF).
- 3.1.2 The new framework agreement will have the following function;
  - Agreement for the provision and management of emergency licensed nightly purchased accommodation; will assist the council to temporarily house people whilst it conducts its investigations under the Housing Act 1985 and 1996, the 2017 Homelessness Reduction Act, the Care Act and Children's Act.
- 3.1.3 Properties will be mostly self-contained, procured in the private rented sector both in and out of the borough, and managed on the council's behalf for the purposes of housing its clients.
- 3.1.4 The framework agreement sets out detailed accommodation standards for all properties procured as temporary accommodation, ensuring they meet minimum standards set by the council. The quality standard was approved by the Executive Member for Housing in 2021 and sets quality standards higher than all other council's in London.

### 3.2 The Service

- 3.2.1 The council had 848 homeless households living in temporary accommodation as of the 31st of March 2022 a reduction from the high point of 969 homeless households living in temporary accommodation at the beginning of the 2021/2022 financial years, a reduction of 13% compared to a national increase of 2%, However, 428 (50%) of homeless households are living in private sector temporary accommodation. The target set to achieve the required budget reductions for the service/council is to reduce the use of private sector temporary accommodation further to 308 homeless households as of the 31st of March 2023 and to reduce further the use of private sector temporary accommodation to 188 homeless households living in private sector temporary accommodation by the 31st of March 2024. Therefore, the council recognises that the use of private sector accommodation to house homeless clients is expensive and often inappropriate with limited security of tenure. However, due to housing demand pressures and the shortage of social housing, the council is reliant on the private housing sector to source some of the required temporary accommodation for those who present as homeless.
- 3.2.2 The purpose of the service is to ensure homeless clients are housed in suitable, good quality, secure and safe accommodation that meets minimum standards. It is also about supporting clients to participate and (re-)engage with the community, tackle worklessness and contribute to the local community. The council's CARE principles are at the heart of the service offer and we aim to treat all homeless households like we would treat an important member of our family.
- 3.2.3 The council will make every effort to place clients in accommodation that meets their needs, in terms of size, location and proximity to services and facilities. Priority criteria have

been agreed to ensure clients' specific needs, including the needs to remain in borough, are accommodated subject to the availability of accommodation.

For details please see the council's Temporary Accommodation Location policy (Appendix 1)

3.2.4 The new framework agreement needs to incorporate the requirements set out in the Good Homes Standard. The Temporary Accommodation Good Homes Standard has recently been approved by Executive and outlines the requirements of the temporary accommodation offer we make to our clients.

For details please see the council's Good Homes Standard (Appendix 2).

#### 3.3 Estimated Value

- 3.3.1 The current framework agreement has a value up to £13m per annum; it is recommended that the new Framework Agreement retain the same value. This would mean that the new agreement would hold a value of up to £52m over the next four years.
- 3.3.2 A prudent approach to be taken given the ever-changing situation in the temporary accommodation sector. Although recent data has suggested that we are gradually reducing the number of households in temporary accommodation it would not be advisable to reduce the budget significantly as we need a larger sample of evidence before making this decision, plus the War in the Ukraine and the cost-of-living crisis a reduction in the contracted value may not be advisable at this moment in time.
- 3.3.3 The new framework agreement should be in place for four years. This is standard length of a framework agreement and there are no compelling reasons to change the length of this.
- 3.3.4 The spend on this service for the last two years is outlined in the table below, even during the pandemic where bookings significantly increased, the maximum contractual amount was not exceeded.

Nightly Paid and PSL (Private Sector Leased) spend 2019-20	£10,969,986.49
Nightly Paid and PSL spend 2020-21	£11,952,288.58

- 3.3.5. Our plan for 2022-23 is reduce the number of households in nightly booked temporary accommodation by over 50% from 428 households to approx. 308 homeless households. We also intend to hand back all the remaining PSL properties, on last count there were 21 remaining households in PSL and Housing Association Leased properties. Our long-term ambitions are to utilise our own temporary accommodation stock and offer private sector assured shorthold tenancies as an alternative to nightly paid accommodation. This would provide security and choice to residents, enhance educational attainment and improve health outcomes.
- 3.3.6. Islington is part of the London Councils inter-borough temporary accommodation agreement (IBAA) in which local authorities in London agree set rates for private sector placements. Islington Council complies fully with the London Council's agreement and framework.
- 3.3.7. All boroughs in London are part of this agreement and this provides benchmarking of pricing. Islington will continue to work within the inter-borough agreement, the rates in the new agreement should be reflective of the most up to date rates in the sub-region.

- 3.3.8. The key drivers of cost reductions for the service are:
  - 1. Reduction in the number of households in nightly paid accommodation
  - 2. Reduction in the average length of stay for each households in nightly paid accommodation
  - Reducing the average cost per unit- on some occasions we have exceed the IBAA rates
    to secure specific units i.e. wheelchair accessible properties, hotel rooms or service
    apartments.
  - 4. Handing back all private sector leased and housing association leased accommodation
  - 5. Increased usage of our own temporary accommodation stock
  - 6. Increased used of the private sector housing solutions approach described in other reports approved by CMB and to be implemented during 2022.

## 3.4 Timetable

3.4.1 Providing temporary accommodation for homeless households is a statutory service, so failure to have a framework agreement in place could result in the council needing to make spot placements which could be more costly.

Procurement strategy approved	June 2022
Publish contract notice	June 2022
Evaluation	August 2022
Award	End of August 2022

## 3.5 Options appraisal

- 3.5.1 The three options that have been considered in this procurement process are:
  - 1. New framework agreement, to replace existing agreement
  - 2. Utilise a Dynamic Purchasing System managed by a 3<sup>rd</sup> party
  - 3. Insourcing
- 3.5.2. The below table lists the considerations taken when reviewing both options

	Pros	Cons
New Framework Agreement	<ul> <li>Direct access to providers enables us to address issues quicker</li> <li>Greater control of temporary accommodation standards.</li> <li>Pricing is in line with pan London rates, keeps spending within Temporary Accommodation budget.</li> <li>Most of the properties procured are likely to be local</li> </ul>	<ul> <li>Reliance on small pool of providers to deliver the properties we need.</li> <li>We are responsible for ensuring that compliance documentation is valid, failing to do so could lead to paying compensation.</li> </ul>

	<ul> <li>Providers can be tasked with sourcing properties for clients with specific complex needs</li> <li>Staff are familiar with existing arrangement, no need for additional training if a change was made</li> <li>Complies with case law on quality standards in temporary accommodation following the recent Waltham Forest and Westminster City Council's court decisions</li> </ul>	
Dynamic Purchasing system	<ul> <li>There are established DPS systems in place that already serve multiple local authorities in London</li> <li>Larger pool of properties to select from</li> <li>DPS systems work largely within the pan-London rates</li> </ul>	<ul> <li>No control on location of units, unlikely to get local units</li> <li>Harder to secure properties for clients with specific and complex needs</li> <li>Unable to dictate the temporary accommodation standards</li> <li>There will be costs incurred for using third party system.</li> <li>Higher likelihood of pricing being above the pan London rates</li> <li>Increased competition as multiple local authorities chasing the same properties</li> <li>Staff will have to be trained to use a new system</li> <li>Not proven to be a success at this stage with large Government investment with limited return on funding.</li> </ul>
In sourcing	<ul> <li>All properties within the borough of Islington</li> <li>More costs effective form of temporary accommodation</li> <li>Better quality temporary accommodation</li> <li>Procurement process already in place</li> <li>Able to procure units to meet demands of the service</li> </ul>	<ul> <li>Potential loss of income due to lengthy voids periods.</li> <li>Lack of options for out of borough placements for household with complex and specific needs</li> <li>Will be more expensive due to the property market in Islington</li> </ul>

Having reviewed the options available, it would be best to have a new framework agreement in place to replace the existing one. Please also note that Insourcing is key part of our long-term strategy to eliminate the use of expensive and inappropriate private sector temporary nightly paid accommodation. This recommendation also complies with the strategic values and principles of the council.

- 3.5.3. Islington Council have successfully secured funding through the governments Rough Sleepers Initiative (RSI) to purchase 140 units for the purposes of temporary accommodation. This is in addition to funding secured last year to purchase 30 units for rough sleepers in Stacey Street. This will mean that the provision of our own temporary stock will increase in the next 12 months by 170 units to 640.
- 3.5.4. We anticipate our reliance on nightly paid accommodation will reduce in the next two years, as the extra 170 properties will enable us to provide temporary accommodation for our homeless households using our own stock. We will still need around 200 private rented nightly paid units to meet our demand in this period. On last count we had 848 homeless households in all forms of temporary accommodation, 403 of these households are in nightly paid accommodation, 4 homeless households are living in bed and breakfast accommodation and 21 homeless households are living in expensive eased accommodation.
- 3.5.5. The option of working in collaboration with another local authority to create a joint Framework Agreement was considered, but after a short review this option proved not to be viable for the following reasons:
  - Unwilling to change Most London local authorities already have their own framework agreements in place or use a DPS, so are not interested in collaborating.
  - Priorities do not align For a joint framework agreement to work, the local authorities
    partaking need to within the same sub region and share some common priorities. Our
    low temporary accommodation numbers in comparison to our neighbouring boroughs
    means we are less inclined to make reactive decisions such as booking temporary
    accommodation outside the borough or use converted office blocks as temporary
    accommodation.
  - Competing for the same properties If a joint agreement were to be in place, it will mean that the local authorities in the contract will be in direct competition with each other for the same properties. Which will test relationships, as it will be hard to prioritise and determine which properties go to who.

## 3.6 Key Considerations

3.6.1. The social benefits of this contract are significant. This framework agreement will offer several direct and indirect benefits to the local community, local economy, staff and homeless households that access our services. The proposals also promote the council's CARE values.

## 3.6.2. Rough Sleeping

This service provides a lifeline for individuals who find themselves homeless, by offering rapid contact, support to access housing and move away from the streets.

Making services accessible in this way is thought to provide cost savings to emergency health, police, and other emergency services. Please note rough sleeping in Islington has reduced from 51 in 2020 down to two people sleeping rough in April 2022 and these two people sleeping rough are new to living on the streets and have since been accommodated with food and support.

It is expected that the provider will build capacity of other voluntary and community sector groups, by working collaboratively, in partnership to support people rough sleeping and prevent rough sleeping wherever possible, sharing knowledge and resources.

We are expecting this service to play a fundamental part of the council's ambition of reducing and eliminating rough sleeping in the borough, as outlined in the Homelessness and Rough Sleeping Strategy 2019-2023.

## 3.6.3. Community Safety

It also offers considerable value to residents, business, and communities, as it significantly reduces the formation of encampments and unsanitary conditions, ensuring that everyone has a route away from the street. This reduces resultant anti-social behaviour (ASB), which suggests that less complaints will be received by the council regarding rough sleeping, thus less officer time will be spent in investigating and responding to these complaints.

The visibility of the outreach team on the streets provides reassurance to members of the public, who can visually see that tangible help is available to people rough sleeping. This provides confidence in the council's commitment to a fairer Islington, offering support one of the most vulnerable groups.

## 3.6.4. Community Cohesion

As the focus will be to source properties locally, we expect that this will massively benefit the children in the households we house into temporary accommodation. Temporary accommodation for homeless households often means families must move multiple times before they are offered permanent accommodated. Sourcing temporary accommodation more locally helps prevents major disruption at a critical stage of a child development and long term delivers better outcomes for our education and health services.

This will also benefit the wider community – residents and businesses, as there will be less associated ASB caused if the above is achieved, this should cause less alarm and distress to the local community, knowing there is support readily available for those in greatest need.

## 3.6.5. Local Economy

We would expect job opportunities within the contract to be advertised locally and look to employ local people with lived experience of using homeless services, this will enhance the prospects of some of our residents. The London Living Wage will be a condition of this contract were permitted by law.

We will be looking for innovation and growth in partnership working which will add value to the contract and bring the social value through supply chains.

The benefits expected to be realised from this contract are a continued reduction in the number of people sleeping rough, immediate help for those who are, to prevent them becoming entrenched on the streets leading to deterioration in health.

By placing households locally, these households will be spending their disposable incomes in the local shops and restaurants, this is turn will increase payments to local businesses. Once again this approach promotes the council's strategic values and principles.

#### 3.7 Evaluation

3.7.1. The tender will be conducted in one stage, known as the Open Procedure, as the tender is 'open' to all organisations who express an interest. The Open Procedure includes minimum requirements, which organisations must meet before the rest of their tender is evaluated.

The assessment criteria for the new contract will be based on (70%) Quality of which (20%) will be assigned to social value, and (10%) costs. We are housing an ever-increasing number of households with complex needs, so an increased level of engagement and maintenance of properties needs to be in place to help improve the experience of our clients whilst they are in temporary accommodation.

3.7.2. The below weighting outlines the expectation of our providers in the new framework agreement.

Costs (10%) Quality (90%)

Proposed approach to standard of accommodation

- Acquisitions (weighting 10%)
- Responsive Repairs (weighting 10%)
- Routine Maintenance (weighting 10%)
- Health and Safety (weighting 10%)

Service delivery and customer care

- Welcome information (weighting 5%)
- Client contact (weighting 10%)
- Equality and Diversity (weighting 5%)
- Managing challenging behaviour (weighting 10%)

Social value (20%)

3.7.3. We will want to see that the selected provider has considered the council's Progressive Procurement Strategy. We want the winning provider to be able to show that the service benefits not only people homeless households, but also the wider population and economy of Islington.

#### 3.8 Business Risks

- 3.8.1. Our procurement strategy over the next two years will be to increase the provision of own temporary accommodation stock through the purchase of 140 ex-council properties. The funding may be in place to purchase these units but securing the properties may prove to be more challenging. Some of the hurdles we may encounter include:
  - Supply Being able to secure the required units we need, 60 x 1 bed and 60 x 2 bed 10 x 3 bedroom and 10 x 4 bedroom ex-council properties in borough in a 12-month period is a challenge and at the present, there is only one officer allocated to complete this task.
  - Pricing Market conditions could cause an increase in purchase price, which will make it
    difficult to procure properties within budget, the funding provided means the price for
    each unit is set and there is limited flexibility to go above this price.

- Delays In legal works, void works, may slow down the procurement process, which could mean that we are only able to deliver less units than expected.
- Please note as the 21st of May 2022 the council has secured the purchase of 114 of the 140 properties with all purchases required to be completed by the 31st of March 2023.
- 3.8.2. Even with the above risks highlighted, we will be able to mitigate these risks as this contract offers us the flexibility to adapt to issues, we may encounter, and we will continue to deliver temporary accommodation for our homeless households.
- 3.8.3. Our ability to provide temporary accommodation for the most vulnerable adults will be tested if there is no framework agreement in place. Local Authorities are regularly challenged on suitability of accommodation provided, so we need to avoid a situation where we are unable to provide suitable temporary accommodation.
- 3.8.4. We have placed a huge emphasis on securing temporary accommodation either in borough or locally, as we want our homeless households to remain local and avoid major disruptions in their lives. Given the scarcity and the expensive rents in Islington, this is likely to be a challenge, as we will be reliant on the availability of affordable units. We need to ensure units costs are not exceeded and we book properties within the pan London rates. To manage this situation, it is important that we select providers who have a good understanding of the local market and can secure properties within our pricing structure.
- 3.8.5. The absence of a framework agreement will increase the likelihood of us not delivering on budget savings, as we will not having standardising pricing structure. Booking will be ad hoc and sporadic, using unchecked providers not working with specific guidelines can lead to poor standard of accommodation, overpriced units, and poor customer care.

## 3.9 Summary

The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to complete an anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.

The following relevant information is required to be specifically approved by the Executive in accordance with rule 2.8 of the Procurement Rules:

Relevant information	Information/section in report
1 Nature of the service	The Council has a statutory duty under the homelessness legislation as laid down in the 1985 and 1996 Housing Acts to temporarily house homeless households  See paragraph 3.2

2 Estimated value	The estimated value per year is £13m (same as current contract)  The framework agreement is proposed to run for a period of four years.  See paragraph 3.3
3 Timetable	TBC Extension Expiry date 31.07.22 See paragraph 3.4
4 Options appraisal for tender procedure including consideration of collaboration opportunities	<ul> <li>New Framework Agreement</li> <li>Dynamic Purchasing System</li> </ul> See paragraph 3.5
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	<ul> <li>Community Safety</li> <li>Local Economy</li> <li>Community Cohesion</li> <li>Rough Sleeping</li> </ul> See paragraph 3.6
6 Award criteria	The award criteria price/quality breakdown is more particularly described within the report.  See paragraph 3.7
7 Any business risks associated with entering the contract	See paragraph 3.8

## 4. Implications

## 4.1 Financial implications

The 2021/22 forecast gross cost of nightly booked & PSL accommodation is £11.931m, previous costs have been:

FY	£
2020/21	£11,952,288.58
2019/20	£10,969,986.49

The current proposals are for a procurement programme of up to £13m per year in spend on TA through a new framework agreement. The framework agreement will allow some control of prices and therefore budgets. It is expected that any framework agreement will see costs exist broadly at the current level if other factors remain constant. Any plans to insource TA in the

longer term are beyond the scope of this report and will have to be considered separately with new Financial Implications drafted.

It should be noted that there are currently around 462 households in nightly booked TA and PSL accommodation. The department aims to reduce spending through ambitious targets to cut the number of clients in TA, increasing the use of low cost council owned properties (through property acquisitions), and through effective procurement to limit price rises. It is not possible to determine at this stage if this will be successful. Case numbers are falling, but from a high point achieved in August 2021.

The cost of the TA procurement is met from a combination of departmental budgets and recurring grants. If cost reductions highlighted above are not met or case numbers go up this will produce a financial pressure on the department against a background of savings targets of £0.100m in FY22/23 and £0.200m in FY23/24 on TA. The framework agreement allows up to £13m of spend on TA per year, if more is required, costs are likely to be more expensive proportionally as the department relies on spot purchases.

It is not possible to cost alternatives to the framework agreement at this stage.

## 4.2 Legal Implications:

- a) The council has a statutory duty to provide temporary accommodation for certain classes of people under certain circumstances as set out in the Housing Acts 1985 and 1996.
- b) The current Framework Agreement extension under which the council provides temporary accommodation expires on 31<sup>st</sup> July 2022.
- c) The procurement proposed in this Report will provide a new Framework Agreement to run for four (4) years from 1<sup>st</sup> August 2022.
- d) The council has power to enter into the new Framework Agreement under section 1 of the Local Government (Contracts) Act 1997 and section 1 of the Localism Act 2011.
- e) This Report seeks to approve the procurement strategy for procurement of temporary accommodation, namely an Open Tender published on *Find A Tender* under the Public Contracts Regulations 2015,
- f) The said Open Tender is a legally compliant route to market the total contract value of £52m (4 years x £13m per year estimated) is above the relevant Public Contracts Regulations threshold.
- g) The proposed procurement route is compliant with the council's Procurement Rules.
- h) Approval of this Report is required by Executive as the total contract value £52m exceeds the £2m delegated power threshold of the Corporate Director.
- i) The Executive may delegate authority [to appoint any successful bidder(s) to the new Framework Agreement] to the Corporate Director of Homes and Neighbourhoods following consultation with the Executive Member for Housing and Development.
- j) Legal Services will assist officers to prepare a new draft Framework Agreement for publication with the tender pack.

## 4.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:

The main environmental impacts associated with the provision of temporary are the same as with most residential dwellings. These include energy use for heating, fittings and appliances, water use in the kitchen and bathrooms, as well as waste generation. Efforts should be made to ensure the properties being leased have high energy and water efficiency, which will reduce their environmental impact and result in cost savings. Maintenance of the buildings will also have an impact, including material usage.

We will also ensure that they have robust policies and procedures in place to achieve our goal of being carbon neutral by 2030.

## 4.4 Equalities Impact Assessment:

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

An updated Equality Impact Assessment (EIA) is attached. Overall the EIA concludes that not all of the potentially negative impacts on households can be mitigated, but that equality implications have been fully considered and that the policy approaches have been justified. It is required to consider the potentially negative impacts on protected groups and whether these impacts are justified by the council's wider objectives in implementing the policies. The impact of the policies and in particular the equality impact of the policies will in any event be kept under regular review.

## 5. Reason for recommendations

- 5.1 Local authorities have a legal duty to provide temporary accommodation for homeless households pending a decision on their homeless application. This agreement ensures that that the accommodation is in place to avoid homeless families being forced to sleep on the streets.
- 5.2 The provision of carefully selected good quality temporary accommodation that meets minimum standards and is well managed, enables the council to fulfil its statutory duties
- 5.3 The framework agreement for licensed temporary accommodation will enable the council to access a wide portfolio of accommodation options, and provide vulnerable clients with decent accommodation to suit their specific needs. This will provide clients with a safe and secure base from which to develop other areas in their lives, and enable them to engage with local communities.

## **Appendices**

- Appendix 1 Temporary Accommodation Location policy
- Appendix 2 Good Homes Standard

## **Background papers**

None

Final report clearance:

Signed by:

Una orrallerun

21 May 2022

Executive Member for Homes and Communities

Date

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22<sup>nd</sup> March 2022

## **Appendix One- Temporary accommodation Location Policy**

## This policy affects

- Homeless clients seeking housing assistance from the council
- Council or Housing Association tenants fleeing DV/harassment in need of temporary accommodation

## 1. Background

When making offers of temporary accommodation (TA) under the Housing Act 1996 Part VII, local authorities must take account of the applicant's circumstances and their need to be placed in Islington or as near as possible to Islington. When assessing this, the council can only take account of actual need and not the applicant's preference to be offered temporary accommodation in or near to the borough.

Local authorities have a statutory duty to provide accommodation in their own area "so far as is reasonably practicable". Statutory guidance requires them "where possible" to try and secure accommodation as close as possible to where an applicant was previously living (Housing Act 1996, Part vii, Section 208(1)).

## 2. Legal framework

- S188 Housing Act 1996
- S 193 Housing Act 1996
- S 208 Housing Act 1996
- Homeless (Suitability of Accommodation) Order 2012
- Localism Act 2011
- Homelessness Code of Guidance for Local Authorities (Department for Communities and Local Government, 2006)
- S.11 Children Act 2004

Supplementary guidance to the homelessness changes in the Localism Act 2011 and the Homeless (Suitability of Accommodation) Order 2012 states the following:

"Where it is not possible to secure accommodation within the district, and an authority has secured accommodation outside their district, the authority is required to take account of the distance of that accommodation from the district of the authority. Where accommodation which is otherwise suitable and affordable is available nearer to the authority's district than the accommodation which it has secured, the accommodation which it has secured is unlikely to be suitable unless the authority has a justifiable reason or the applicant has expressed a preference."

#### Case law

Nzolameso v Westminster City Council – Supreme Court Judgment 02.04.15; paragraphs 38 and 39 include that local authorities need to explain their decisions as to the location of properties offered. They are entitled to take account of the resources available to them, the difficulties of procuring sufficient units of temporary accommodation at affordable prices in their area, and the practicalities of procuring accommodation in nearby authorities.

The court proposed that each local authority should have, and keep up to date, a policy for procuring sufficient units of temporary accommodation to meet the anticipated demand during the coming year. That policy should reflect the authority's statutory obligations under both the 1996 Act and the

Children Act 2004. Secondly, each local authority should have, and keep up to date, a policy for allocating those units to individual homeless households. Where there was an anticipated shortfall of "in borough" units, that policy would explain the factors which would be taken into account in offering households those units, the factors which would be taken into account in offering units close to home, and if there was a shortage of such units, the factors which would make it suitable to accommodate a household further away.

• Birmingham City Council v Ali; Moran v Manchester City Council [2009]; the court observed that 'what is regarded as suitable for discharging the interim duty may be rather different from what is regarded as suitable for discharging the more open-ended duty in section 193(2).'

## 3. Islington Policy Statement

- The council will, wherever possible, offer accommodation within the borough.
- If this is not possible, the council will offer accommodation as near as possible to the borough.
- The council will take account of relevant need factors when assessing the suitability of location of temporary accommodation, including:
- Affordability: We will take into account a household's income and source a property which has a rent that is affordable, as well as meets the household's needs. Due to high rents within Islington, this will often mean securing a property out of the borough. The household's ability to meet any shortfall between housing benefit paid and the rent charged will be taken into account. We will determine whether a household may be exempt from the general household benefit cap or whether they may be eligible for a Discretionary Housing Payment (DHP) to help pay the rent.
- Location: Where accommodation is sourced outside Islington, the distance of the property from Islington together with services, amenities and transport links in the new area will be taken into account. The potential impact of the location on family members will be considered. Specifically, the factors below will be taken into consideration;
- Children's education; Childrens' ages and key educational stages will be taken into consideration, including any public examinations they will be taking. The practicalities of travel arrangements to existing schools will be considered including the cost and ease/length of time of travel. The possibility of transferring to schools closer to the property offered will also be considered. Children of primary school age may need to move to schools closer to their new home. Support (to be) provided to any children with special educational needs will also be taken into consideration.
- Child care and other caring responsibilities; The feasibility of maintaining existing child care and / or other caring arrangements will be considered. The cost and availability of caring arrangements in the new area will also be explored, including travel time to that care provision.
- Employment: The ease and cost of travel from the location of the new property to existing place of work, including any shift patterns will be taken into account. The possibility of transferring to a workplace in the new area will also be explored.
- ➤ <u>Health and support needs:</u> Any medical or support needs will be taken into account, including any existing health or support services provided. We will consider whether moving the client's healthcare or support services would have a detrimental effect. Any needs for accessible accommodation would be addressed. Where there is Childrens' Services involvement, they will be consulted about transferring a household to an alternative location.

- Cultural and religious requirements: any specific requirements, such as the availability of community centres and places of worship in the new TA area would be explored.
- ➤ <u>Children's needs:</u> We will consider the needs of all children in the household and any arrangements for safeguarding those needs (in accordance with Section 11 of the Children Act 2004).
- Risk: Where a household is perceived to be at risk from others, or where there is a history of risk to others, the extent, nature, likelihood and gravity of the risk will be assessed and taken into account.
- Special circumstances: Households with children at risk, on the Child Protection Register or significantly disadvantaged, will be prioritised for an offer of accommodation within Islington. A person suffering from a terminal illness or having a severe disability and receiving regular treatment under the care of a Islington hospital will also be prioritised.

The council will keep daily records of all available properties, and will allocate accommodation to clients which is in, or as near to Islington, as possible.

However, when making any offer of accommodation, the council needs to take into account what accommodation is available at the time and prioritise use of the nearest accommodation to those applicants with the highest needs.

The council will keep details of what properties are available on each day, and file these for three months.

In order to make an offer of accommodation that is suitable to the client, the council will make use of a number of checklists, which will be reviewed from time to time.

Having taken into account all information gathered as part of the suitability and affordability assessment, the council will then make the applicant an offer of accommodation.

The council will explain to the applicant in writing why they have been offered accommodation in a certain location and the factors that have been taken into consideration when making the offer.

Where the council is unable to source temporary accommodation that meets all the client's needs, it will offer available accommodation that meets the applicant's needs as closely as possible.

## 4. Procurement of temporary accommodation

As there is a thriving private sector rental market in London landlords are often able to obtain more rental income on the open market (in particular in inner-London boroughs including Islington) than from temporary accommodation lettings.

The council has contracts in place with providers to supply temporary accommodation within Islington and in other boroughs. These include Framework Agreements and Service Level Agreements with private accommodation agencies, estate agents, lettings agents, private sector landlords and Registered Providers.

In addition to the use of private rented accommodation for the use of temporary accommodation, the council also makes use of some of its own stock, including reception centres, properties earmarked for future regeneration and former Right to Buy properties through a Buy Back scheme.

In order to secure a sufficient supply of temporary accommodation we will:

- Agree a budget based on best available cost modelling
- Agree the limited use of council's own stock for temporary accommodation
- Support the Private Landlords Forum in order to maintain and develop supplier relationships
- Re-procure temporary accommodation under a Framework Agreement
- Further develop our Social Lettings Agency, Islington Lettings.

## Appendix Two Quality Standard for homeless households living in temporary accommodation

Islington Quality Standard (for homeless households)

We will place you in a home that:

- Has a tenancy in your name (with a rent review clause to ensure any future increases are fair and reasonable)
- Is big enough for your household in line with Part X of the Housing Act 1985.
- Is self-contained, with your own bathroom and kitchen
- Is clean & free from pests
- Is in a good, safe state of repair and decoration
- Has good condition floor coverings/finishes throughout
- Has safe and working electrics, gas, heating, hot water and pluming
- Has a working smoke alarm on every floor
- Meets or exceed current energy performance standards
- Has free access to Wi-Fi to assist with homework
- If you are fleeing Domestic Abuse, or Hate Crime, or you have been sleeping rough, we will ensure you are provided with the essential's for example bed, fridge, cooker and key living equipment.

We will not place you in accommodating that has been converted from office to residential use through permitted development rights.

We will not place you into nightly paid temporary accommodation for any period longer than 28 days.

We will not place you in Bed and Breakfast accommodation for any period longer than 72 hours. We aim to eliminate all forms of Bed and Breakfast accommodation for homeless households in the future.

Before you move in we will ensure you have:

- A written contract, including clear details of when and how your rent should be paid
- A home inspection report/inventory, so you can verify the condition your home is in when you move in
- An up to date Gas Safety Certificate (less than 12 months old)
- An up to date Electrical Safety Condition Report (less than 5 years old)
- An up to date home Energy Performance Certificate

- Information on fire safety in your home, including for example whether the stay put policy applies to your home or not
- Full details of how to contact your landlord, including in the case of any out of hours emergencies
- Full details of how and when to contact the council, including a named council
  officer
- A tenancy pack setting out the key things you need to know about keeping your new home, and confirmation of your place on our accompanying training course
- Clear guidance on claiming any benefits you may be entitled to
- Residents must be given information when they move and we will provide residents with information about where they're moving to, how to access local services, and what rights residents have.
- Residents should feel supported, with clear access to information about their case, and consistent support from Islington Council for the residents well-being.
- Residents should feel empowered. Islington Council will listen to residents, address their concerns, and involve them in open forums, meetings, and service design. Islington Council will also empower residents to make real change by involving them in the process.

Before you move in we will ensure your landlord inspects your home and provides you with a report for you to sign, this report will include the landlord checking to confirm:

- That the property is in a good, clean condition throughout and free from pests and hazards
- That the following are in good, clean working condition:
- floor coverings
- doors and door locks
- windows
- taps, sinks, baths, showers and toilet flushes
- heating and hot water and their controls
- lights
- fitted cupboards and draws
- any electric ventilation
- any appliances & cookers
- The details of any furniture, furnishings or appliances provided and its condition
- The meter readings and contact details for all current utility suppliers, including water, gas, electricity, internet, telephone and digital TV.

Should you believe any of the above has not been satisfied as part of the initial tenancy sign up process, you will be able to escalate your concerns to the council Housing Needs and Strategy team.

We will only use accommodation that does not meet this standard:

- In emergencies where a household becomes homeless and we have not been able to arrange accommodation in advance. In this case we may use good quality accommodation for up to 72 hours while we find you a tenancy that meets the standard.
- For people who need accommodation that comes with onsite support. In this
  case we may place you in good quality supported housing, such as a hostel,
  foyer or refuge.