



**Committee and Date**  
Cabinet 17th July 2024

Item

Public



# Temporary Accommodation Provision

<b>Responsible Officer:</b>	Jane Trethewey Assistant Director Homes & Communities		
email:	jane.trethewey@shropshire.gov.uk	Tel:	01743 254917
<b>Cabinet Member (Portfolio Holder):</b>	Dean Carroll - Dean.Carroll@shropshire.gov.uk		

## 1. Synopsis

1.1 An update on progress to end the use of bed and breakfast / hotel accommodation for homeless people as temporary accommodation and seeks approval for the proposed use of the Tannery East building for a period of three years to provide temporary accommodation.

## 2. Executive Summary

2.1 The Shropshire Plan has a focus on Healthy People, seeking to tackle inequalities and poverty in all its forms, providing early support and interventions that reduce risk, and enable people to achieve their full potential and enjoy life.

2.2 The Shropshire Plan also recognises the importance of a Healthy Organisation, and this is supported through the Council’s Medium Term Financial Strategy 2024/25–2028/29 (MTFS). The MTFS sets out a plan to achieve financial sustainability for the organisation through a focus on delivering our mandatory statutory duties in the most cost-effective way.

- 2.3 In recent years the Council has seen an increase in homelessness and the associated statutory requirement to provide temporary accommodation whilst applications are being investigated or households owed a homeless duty await an offer of suitable settled accommodation.
- 2.4 The Housing Services Team has worked hard to reduce the use of temporary accommodation, in particular the use of bed and breakfast (B&B) or hotel accommodation. Accommodating homeless households in B&B/hotel accommodation is unsuitable due to the lack of space and facilities, and the difficulty in providing support to them in that setting, in addition to the high cost this represents for the Council.
- 2.5 In 2023/24, The Housing Services Team managed to reduce the cost of providing temporary accommodation by £1.5m compared with 2022/23. However, the net cost to the Council was still £3.472m.
- 2.6 The Council is now seeking to further improve temporary accommodation provision and generate additional cost savings by largely removing our current reliance upon B&B. Plans are already in progress for the Parish Rooms, Bridgnorth (12 units) Coton Hill House, Shrewsbury (25 units) and Single Homeless Accommodation Programme funded (SHAP) dispersed units (12 units) as temporary accommodation for homeless people. It is now proposed to add to these through the temporary use of the Tannery East building, St Austin's Street, Shrewsbury, originally built as student accommodation, to provide a further 61 units for a period of three years. The building is shown as Block C on the site location plan shown at Appendix 1.
- 2.7 At the end of March 2024, 106 households were in B&B accommodation, of whom 95 were single people. These new facilities will therefore reduce the use of B&B accommodation significantly. Over time it is intended to improve our ability to place people in wider range of accommodation settings, funded by future grant bids and working in partnership with STAR Housing and local Registered Providers, which should reduce our need for specific temporary accommodation provision to this extent. For this reason, the use of the Tannery East building for this purpose is proposed for a limited time only.
- 2.8 The accommodation at Tannery East was built by the Council as an attractive new town centre offer, following an approval by Cabinet on 21 December 2016 to create new student accommodation. Since its completion the building has housed students as part of an agreement with University Centre Shrewsbury (UCS). However, the number of courses available in Shrewsbury have been insufficient to keep the building fully occupied by their students. Hence other student cohorts, such as apprentices and student nurses, have been attracted to maintain occupancy. However, with the anticipated closure of the UCS operation in Shrewsbury this year, many of the 62 residential rooms are now vacant, which has led to a re-evaluation of the use of the residential portions of the building.
- 2.9 The proposed use of the Tannery East building to provide temporary accommodation for homeless people will require planning approval as a

change of use. Pre-application discussions have started with the planners, and wider consultation is taking place prior to a formal application being submitted. No change to the ground floor retail or office uses is proposed.

- 2.10 Subject to planning approval the Housing Options Team plans to bring Tannery East into operation as high-quality temporary accommodation provision in October 2024, for a period of three years.

### 3. Recommendations

It is recommended that Cabinet:

- 3.1 Approves, in line with the Medium-Term Financial Strategy 2024/25 – 2028/29, the provision of improved temporary accommodation provision, reducing the use of B&B/hotel accommodation to realise General Fund revenue savings in 2024/5 and 2025/6.
- 3.2 Approves the proposal to cease the previous business plan for the use of Tannery East as student accommodation, in alignment with the closure of the UCS function in Shrewsbury.
- 3.3 Notes the proposal to submit a planning application for change of use of the Tannery East residential offer from student accommodation to use as temporary accommodation for homeless people, for a three-year period.
- 3.4 Delegates authority to the Assistant Director for Homes and Communities to seek planning approval for change of use of the building and undertake any necessary changes to the management of the accommodation.

## Report

### 4. Risk Assessment and Opportunities Appraisal

- 4.1 The proposed three-year use of the residential element of the Tannery East Block, St Austin's Street, Shrewsbury, would provide a much-improved quality of temporary accommodation and support for 61 homeless single people that are currently housed in B&B/hotel accommodation in Shrewsbury or that we have had to place out of the town or indeed the county due to lack of suitable accommodation.
- 4.2 The proposals provide significant savings for the financial year 2024/25 and onwards for the proposed three-year period of its use as temporary accommodation. Were these savings not found in this way, the risk to the Council would be that alternative savings would be required from other service areas.
- 4.3 The lack of student courses and therefore demand for student accommodation provides the Council with a good opportunity to repurpose the residential elements of the Tannery East building and deliver two important benefits,

improved accommodation for homeless people and savings to the General Fund. It should be noted that Mardol House will continue to be available for students, apprentices, and student nurses who wish to access student accommodation in Shrewsbury. No change is currently planned to this offer.

- 4.4 A draft management plan for the Tannery East building, attached at Appendix 2, has been developed to ensure that any risks associated with managing the accommodation have been identified and addressed. Conversations have begun with local partners including the Police, social care and third sector partners, and neighbouring premises, to make the transition and ongoing management of the building successful. The building will have increased staffing with a 24/7 presence at the building and significant housing support to those accommodated.
- 4.5 There are significant risks with not pursuing this proposal. Major financial savings are forecast from reducing reliance on B&B/hotel use. Finding these savings elsewhere would require reductions to other Council services. Furthermore, the Council has duties to provide suitable accommodation to meet applicants' needs. This can be open to challenge where the offer that we have available is B&B/hotel accommodation, sometimes in localities away from support, with a lack of facilities and limited support from the Council or other agencies.
- 4.6 The welfare and safety of residents is paramount and therefore robust measures will be in place to manage any health and safety risks. Whilst the Tannery East building is a very modern building and in good condition, a new fire risk assessment is being procured for the proposed use, and any recommendations will be actioned prior to occupation.
- 4.7 The proposed use as temporary accommodation is intended to last for three years. This is to achieve immediate revenue savings, and improve the accommodation and support offer to residents, whilst developing other options separately. By the end of the three-year period, the Council will have progressed its other currently planned temporary accommodation schemes, increased the delivery of one-bedroom flats in newbuild and renovation schemes, and improved its ability to support homeless individuals into new homes in the social and private sectors, sustaining their tenancies to avoid the risk of further homelessness. It is intended that this will allow the Tannery East building to be reviewed for alternative uses at the expiry of the three-year term.
- 4.8 An Equality, Social Inclusion and Health Impact Assessment (ESHIA) has been carried out in regard to this proposal. The projected improvements in outcomes will include less repeat homelessness, more clients securing permanent accommodation, and less anti-social behaviour. It will also mean less work for health services and social care interventions, as well as for other statutory services. Homelessness is the most acute form of housing inequality, as it inhibits social inclusion and contributes to poor health outcomes. Therefore, by the Council agreeing to additional high quality supported temporary accommodation units, there will be an increase in positive outcomes for service users such as improved health and wellbeing and life chances.

- 4.9 There is a likely positive impact accordingly across the nine Protected Characteristic groupings as set out in the Equality Act 2010. This is particularly with regard to Age, Disability and Sex and intersectionality across these groupings including people who may have disabilities that may be visible, such as physical disabilities, or those that may be hidden, such as mental health diagnoses or neurodiverse conditions including autism. There are also 3 ground floor wheelchair adapted properties at the Tannery. The Council struggles to provide good quality accommodation to meet the needs of those who require level access facilities. These units will be particularly helpful. The impact is anticipated to therefore be High Positive for these groupings of Age, Disability and Sex.
- 4.10 We also have regard to vulnerable individuals within our tenth category in Shropshire, of social inclusion. Homeless people can become isolated and being placed in B&B can exacerbate the exclusion from normal activities and placements away from support and family can be devastating. Good quality housing support will encourage social inclusion, taking up employment, engagement with services and reconnection to lost contact with friends and family.
- 4.11 The additional units of temporary accommodation, together with onsite housing support will help improve health outcomes. This proposed initiative will build upon ongoing engagement with people in the Protected Characteristic groupings as well as working with vulnerable groupings including people who are homeless or at risk of homelessness, young people leaving care, and veterans and serving members of the armed forces and their families. The latter two groupings are now considered as distinct local protected characteristic groupings, as they are in Telford and Wrekin Council area as well, which will facilitate further partnership working across the Shropshire and Telford and Wrekin ICS with particular regard to health and wellbeing.

## 5 Financial Implications

- 5.1 The Council has produced a Medium-Term Financial Strategy (MTFS) setting out the need for over £62m of savings required during the financial year 2024/25. As part of these plans' revenue savings to the General Fund of £2m have been identified by improving in-house temporary accommodation provision.
- 5.2 The Council currently has around 240 households placed in temporary accommodation. Of these, around 100 single people are placed in hotel/B&B accommodation. Additional homeless individuals receive financial support from the Council to allow them to remain with friends or family.
- 5.3 The proposal to make use of the Tannery East building would allow us to reduce the use of B&B/hotel accommodation for 61 single applicants. The current cost to the Council of B&B/hotel accommodation is normally between £50 - £90 per night, so approximately £500 per week. Due to Housing Benefit

regulations that apply to claims for those placed in B&B/hotel accommodation, the council is only able to recover £92.31 in Housing Benefit per week for this type of accommodation. The saving is therefore estimated at £1.1m per annum in a full year, and around £458,000 in the current financial year, dependent upon how quickly the necessary approvals and works can be completed.

- 5.4 The proposal is to use the building for temporary accommodation for a period of three years, giving approximately £3.3m savings in total.
- 5.5 The full running costs of the Tannery East proposals can be funded from rent and service charges. Housing Benefit will cover these costs in full as the Housing Benefit regulations for this type of accommodation do not limit claims to £92.31 of subsidy in the way that applies for current B&B/hotel provision. In addition, this proposal ensures that the revenue the Council receives for the Tannery East residential element can be maximised, in a period when demand for student accommodation in Shrewsbury is diminishing.

## 6. Climate Change

### *Energy and Fuel Consumption*

- 6.1 The building is relatively new and therefore has good levels of energy performance and good insulation values.
- 6.2 The proposals will not mean significant change to the building itself and hence not affect the change the overall carbon footprint.
- 6.3 Housing Support staff will encourage the economic use of the heating in rooms and communal areas and encourage residents to sort refuse to maximise recycling of waste.
- 6.4 The provision of a main central Shrewsbury location for temporary accommodation will reduce car journeys by support staff around Shrewsbury and sometimes beyond, to provide services to residents in B&B/hotel accommodation. This will significantly reduce car mileage carbon outputs and costs.

### *Other Climate and Carbon Impacts*

- 6.5 Renewable energy generation, Carbon offsetting and Climate change adaptation – No additional effect anticipated.

## 7. Background

- 7.1 Homelessness pressures locally and nationally have been evident over the past few years. The introduction of the Homelessness Prevention Act 2017 added new responsibilities to assist single homeless people and the Domestic Abuse Act 2021 strengthened responsibility for those who are victims of domestic abuse. On top of this the Covid 19 pandemic and then the ongoing cost of living crisis has added more stress to families and individuals that has led to an

increase in homeless presentations to local authorities; Shropshire Council like others has faced this increase.

- 7.2 In 2022/23 nationally it was reported that in England the use of B&B accommodation for homeless people increased by 33%. The national figures for the full year 23/24 have not yet been published but from the first 3 quarters of the year a similar increase is expected.
- 7.3 Whilst in Shropshire we have managed to control and reduce the use of B&B, the pressures have not gone away and the use in Shropshire, in common with other local authorities, is still a very significant cost.
- 7.4 The accommodation at the Tannery comprises 61 rooms with self-contained bathroom facilities. One of the existing rooms will be repurposed to add staff office space and a meeting room. The residential rooms are in contained clusters each with a shared kitchen enabling occupiers to prepare food. Access to the building is secured by an electronic tag, which also limits access to each floor for greater security for residents. The building will be staffed 24/7 and have Housing Support staff on site with each individual working on plans to address any issues they may have and to assist them moving on promptly into more permanent, settled accommodation.
- 7.5 The Council will require planning approval for the proposed change in use of the building. A pre-application submission has been made and advice is awaited from this. This proposal does not affect the other buildings or functions in the wider Tannery site, and the retail units and office accommodation are unaffected.
- 7.6 This change of use of the Tannery East building is proposed for a period of three years. This will allow us to evaluate the use of the building, as well as other planned temporary accommodation provision which by this time will also have opened, e.g., Parish Rooms in Bridgnorth, and Coton Hill House in Shrewsbury, and set out longer term plans for temporary accommodation and longer term move on accommodation for homeless people.
- 7.7 Staffing at the site is proposed to include the expansion of the concierge service to provide a 24/7 presence at the site to ensure good supervision and control of the building and respond quickly should issues arise. It is also planned to provide dedicated housing support staff, meaning much improved support is provided to address the reasons for homelessness and assist people to move on into more permanent accommodation.

## **8. Conclusions**

- 8.1 These plans make best use of a major Council asset and provide significant financial savings to the Council on its temporary accommodation costs, whilst also delivering a much improved standard of accommodation and support to homeless people whom the Council have a statutory obligation to assist.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

- **Shropshire Council Cabinet report relating to the development of student accommodation on 21 December 2016**
- **Shropshire Council Full Council report relating to University Centre Shrewsbury Student Accommodation on 22 June 2017**
- **[Shropshire Council Housing Strategy 2020 - 2025](#)**
- **Draft Preventing homelessness and rough sleeping strategy reported to Cabinet 17 April 2024**

---

**Local Member:** Cllr Nathaniel Green

**Appendices**

**Appendix 1** Site Map

**Appendix 2** Tannery East Draft Management Plan

**Appendix 3** Equality, Social Inclusion and Health Impact Assessment (ESHIA)



