
**Manchester City Council
Report for Information**

Report to: Resources and Governance Scrutiny Committee –
7 December 2017

Subject: The rise in homelessness across the city and its financial impact
on the Council

Report of: Director of Homelessness

Summary

There has been a significant increase in the number of people becoming homeless in Manchester in recent years, and those at risk of losing their home. Going forward, it will be even more challenging to respond to this increase in demand, particularly with the roll-out of Universal Credit and the Homelessness Reduction Act 2017. This report sets out the impact of the increase in homelessness and rough sleeping on the council's budget

Recommendation

The Committee is requested to note and comment on the report and note the need to evaluate the impact of the city centre review funding on homelessness and rough sleeping and consider the longer term financial implications as part of the budget process.

Wards Affected – all

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Background documents (available for public inspection):

Executive report - City Centre Review, 8 February 2017
Executive report – Homelessness and the City Centre Centre Review 15th November 2017

1. Introduction

- 1.1 Tackling homelessness is fundamental to the Our Manchester Strategy. The ambitions in the strategy to be a thriving and sustainable, highly skilled, progressive and equitable, liveable and connected city, will be adversely affected if residents do not have the stability of a home. Concerns about homelessness featured heavily in the extensive consultation for the strategy. Several of the 64 'we will' commitments in the Strategy are relevant to this agenda. There is a specific 'we will' commitment to 'ensure that shelter and support is available for homeless people who want and need it'. Other 'we will' commitments are directly related to people who are homeless or at risk of losing their home, for example, connecting residents to work, improving health outcomes, and new ways of reaching out to communities less connected to economic success.
- 1.2 The Manchester Homelessness Partnership was established in 2015, consisting of people who have been homeless, and organisations working to reduce homelessness. The Partnership led the development of the Manchester Homelessness Charter. The Our Manchester approach has been taken to significantly change ways of working and what is delivered. People with lived experience of homelessness have actively shaped the agenda and co-designed new approaches.
- 1.3 The Executive received an update on the actions agreed through the City Centre and also on wider homelessness and housing issues. This is in the context of the forthcoming Homelessness Reduction Act, continuing pressures from welfare reform, and the new Greater Manchester Strategy on Rough Sleeping which is currently in consultation. From April 2018, the Homelessness Reduction Act 2017 will widen assistance to households at risk of losing their home, and will require local authorities to take earlier action to prevent homelessness. This will also place greater demands on access to settled homes and housing for the increased households at risk of homelessness.
- 1.4 There has been a significant increase in the numbers of households who are homeless in Manchester in recent years, including families, single people, young people, and people who are rough sleeping. This trend is also reflected nationally. This will become even more challenging with the roll-out of Universal Credit and the Homelessness Reduction Act 2017 mentioned above. Local Authorities will be expected to work with more households, earlier, to prevent them from becoming homeless, and further work will be needed with our partners to plan for this further increase in demand.
- 1.5 The causes of losing a home can be the consequence of both contextual and individual factors, but the most important driver of homelessness in all its forms is poverty. In particular, childhood poverty very often predates, and is a powerful predictor of, adult homelessness. A driving factor of the increase in homelessness nationally has been attributed to welfare reform. The capping and freezing of Local Housing Allowance (LHA) has had a significant impact. This has been compounded by other welfare reforms such as the 'bedroom

tax', the benefit cap, application of the shared room rate to single households under 35 years, and stricter sanction regimes.

- 1.6 Alongside this, the private rented sector has doubled in size nationally in the last ten years, and rents have increased three times faster than wages nationally: homes in this tenure are increasingly unaffordable for families on low incomes, particularly to households in receipt of LHA. In Manchester our success in sustaining economic growth has led to supply failing to keep pace with demand and as a consequence, increases in average rents in the private sector.
- 1.7 There has been a 155% increase in the number of people having a homelessness assessment; from 1,090 in 2009/10 to 2,778 in 2016/17. There has also been a 158% increase in the number of people to whom the City Council owes a statutory duty. This has risen from 482 in 2009/10 to 1,242 in 2016/17. There are consistently more single people than families approaching the service. However, last year the number of families approaching increased by 30%, from 1,559 in 2015/16 to 2,031 in 2016/17. The loss of a private rented tenancy has recently become the prime reason for people being owed a statutory homelessness duty in Manchester. The National Audit Office reports a similar picture nationally.
- 1.8 There will be a significant increase in demand over the next three years. Estimates from local authorities piloting the Homelessness Reduction Act indicate there could be a 60% increase in demand for prevention and a 20% increase in those being owed a statutory duty (including a current trend of 10% increase per year). This could include an increase in households with no local connection accessing prevention services. By 2018/19 it is estimated that more than 6,000 households will require prevention and over 1,600 will require a full duty.
- 1.9 Furthermore, the use of temporary accommodation for people who have lost their home has increased by 319% since 2010, from 273 to 1,145 by March 2017. The use of this accommodation increases by up to 25-30 more households per week. As of October 2017, there are currently 2,055 households living in temporary accommodation. See table below for dispersed numbers:

	Dispersed	NSE	Singles	Totals
February 2014	150			
April 2014	153			
Sep-14	191			
Dec 2014	208			
Jan 2015 -Mar 15	215			
Apr-15	239			
31st July 2015	258			
Aug-15	260			
Sep-15	315			
Dec-15	354			
Apr-16	419			
Jun-16	476			
Sep-16	561			
Dec-16	626			626
Mar-17	689	30	52	771
Apr-17	714	40	60	814
May-17	754	45	65	864
Jun-17	815	50	80	945
Jul-17	803	59	89	951
Aug-17	828	65	94	987
Sep-17	852	77	96	1025
Oct-17	893	81	90	1064
Nov-17	939	68	90	1097
NSE - None secure eviction				

2. The Manchester Homelessness Partnership

- 2.1 The Partnership consists of charities, faith groups, businesses, institutions, the general public, a range of public sector services, and the Council, working with people who have experienced homelessness. The Bishop of Manchester chairs the Partnership Board. The Mustard Tree has played a major role in leading this work. The approaches to tackling homelessness in Manchester have significantly changed over the last 18 months, based on Our Manchester approaches. Increased trust and improved relationships have developed since that time. The Partnership has helped change processes to focus on people as individuals and work with them to develop solutions.
- 2.2 The partnership is also instrumental to the distribution of funds through the alternative giving campaign, Big Change, which has raised over £100,000. Money raised from this fund is allocated by a panel of members of the Partnership which includes Council representation. Examples of the use of the funds include money for training courses, clothes for a job interview, furnishing

for a new flat, paying for bonds or rent in advance or travel costs for people who are currently homeless.

3 The City Centre Review

- 3.1 On 8 February 2017, the Executive was presented with the findings of the City Centre Review. This was based on Our Manchester approaches to engage extensively with people using the city centre to understand the key issues and strengths of the City Centre. Homelessness, rough sleeping and begging were highlighted as a priority issue for the city centre by stakeholders, and the most frequently mentioned area of concern.
- 3.2 In response to the City Centre review, additional investment of £4.558 million was agreed to deliver a City Centre implementation plan. The funding included £984k City Council resources in relation to rough sleeping, begging and homelessness. This was alongside Government funding requirements for the provision of the Emergency Hub.
- 3.3 The funding included a further £2.962 million for an enhanced out-of-hours service which was to cover licensing and enforcement. The investment also included a commitment to part-fund two Homeless Charter roles, one to work with businesses and one to increase engagement following the City Centre Review.
- 3.4 The key actions agreed at the 8 February meeting were as follows. These proposals have since been developed further with the Homelessness Partnership:
1. More help to prevent single people becoming homeless by providing more support in communities.
 2. A bid to the DCLG Homelessness Prevention Programme to develop one new Emergency Hub in the city centre of Manchester to support individuals with a range of issues.
 3. Develop a 24 hour a day, seven days a week offer for those who need it addressing the current gap in evening provision.
 4. The way in which the public services help and support rough sleepers will be strengthened through an improved outreach and support offer.
 5. Work with organisations who provide housing to offer move-on accommodation and support for people to resolve their homelessness issues.
- 3.5 The impact of the additional investment is monitored by the City Centre Accountability Board through a monthly performance report.
- Action 1: More help to prevent single people becoming homeless by providing more support in communities.**
- 3.6 Since the City Centre Review, preventative services that provide advice and guidance have been significantly increased. A commissioned debt advice service is now being delivered to target households living in the private rented

sector to prevent them from becoming homeless. Alongside this, Street Support is now operating a digital platform that connects people who may be rough sleeping to support services and resources¹.

- 3.7 The Housing Options service was established in January 2017 and works with people before they reach a housing crisis point. Workers create a Personal Housing Plan with actions for both individual and for the worker to complete to ensure individuals can address their housing issues. The team comprises of 8 FTE staff and have prevented 97 people and families from becoming homeless. A volunteer service that recruits people who have experienced homelessness has also been commissioned to work alongside the Housing Options service. This has been commissioned based on input from the Partnership and provides additional advice and guidance to households alongside the Options Service. Housing Options is providing a more robust preventative approach to households at risk of homelessness because of domestic violence and abuse based on learning and best practice.
- 3.8 This is alongside the existing Housing Connect floating support service (25 FTE structured into 3 teams) that is now co-located within the Early Help Hubs. The Connect service is targeted at family households identified as being at risk of homelessness and takes a whole family approach based on the Early Help Assessment to deliver support. The service is currently working with 300 families.
- 3.9 As a result of the introduction of the Homelessness Reduction Act and the additional duties on the City Council from April 2018, the Government has provided additional funding of £509k for the period 2017/18 to 2019/20 (this is of a national allocation of £72.7m). This is unlikely to address the increase in demand. There is concern that the methodology used to allocate the funding is not directing resources to where they are most required. In particular 64% is based on historical spend per government returns, it would be more accurate if the full allocation was linked to the numbers accepted as homeless.
- 3.10 The response of the Council and our partners to this significant increase in demand will be developed jointly through working with the Partnership as part of a Homelessness Strategy refresh. Analysis already undertaken into the impact of the Act will be used to support and develop the strategy

Actions 2 and 3: Submit a bid to the DCLG Homelessness Prevention to develop one new Emergency Hub in the city centre of Manchester to support individuals with a range of issues. Develop a 24 hour a day, seven days a week offer for those who need it, addressing the current gap in evening provision.

- 3.11 Manchester has committed to delivering a 24/7 physical offer including integrated support to people who are new to homelessness. GM funding of £1.7m from Government was confirmed in October 2017, although the amount available to Manchester has yet to be confirmed. In the event that there is not

¹ <https://streetsupport.net/>

sufficient grant to meet the capital costs then these will be underwritten by the City Centre reserve as set out in the capital increases report elsewhere on the agenda. The Council has identified site in the Longford Centre in Chorlton which has capacity of 38 bed spaces. Planning permission was granted in November.

- 3.12 The City Centre investment has further increased the emergency bed spaces for people who are sleeping rough by 125 bed spaces. Woodward Court has also been redesigned and now provides 24/7 access to accommodation for people who are sleeping rough. Further accommodation at a site on Ashton Old Road will be opened in December.
- 3.13 Council investment has also enabled provision of an evening and weekend day centre offer provided by Centre Point and Coffee for Craig. This has been closed temporarily, but will be opening again soon. Funding is being used to support Barnabus to increase their evening opening hours. This provides food, hot showers, toilet facilities and advice to help people get off the streets. In addition, 'Stop Start Go' opened in August 2017, as accommodation supporting people who are ready to move into work, and those who are employed. This was funded through The Edward Holt Trust, Manchester City Council and the GM Mayor's Fund.
- 3.14 The investment that has increased the emergency bed spaces provision runs until August 2018, and October 2018 for Barnabus. Following evaluation, if this has been seen to have a sufficiently positive impact then additional funding will be sought at a timescale to allow continuity of service.

Action 4: The way in which the public services help and support rough sleepers will be strengthened through an improved outreach and support offer.

- 3.15 Investment from the City Centre Review has increased the size of the Rough Sleeper Outreach Team from 4 to 7 staff, so they can work at weekends and on extended shift patterns. This has built on the previous expansion of the team from 2 staff in 2015. This includes a Rough Sleeper Outreach co-ordinator who provides additional engagement and co-ordination with other outreach services.
- 3.16 In addition to this, 9 City Centre Compliance staff posts have been created, with 8 of the 9 additional staff being recruited. Recruitment to the remaining vacancy is ongoing. This will further strengthen the enforcement and compliance approach in the city centre.

Action 5: Work with organisations who provide housing to offer move-on accommodation and support for people to resolve their homelessness issues.

- 3.17 A new resettlement service developed collaboratively with the Homelessness Partnership has been designed and commissioned with input from people who have experienced homelessness. This has used City Centre Review

investment and will work with 60 individuals to help them to maintain a tenancy in a settled home.

4. Additional actions since the City Centre Review on access to settled homes

- 4.1 The Council has agreed to use the Strategic Acquisitions capital budget to support an increase in available housing stock.
- 4.2 A further 40 new affordable rent Council Homes are due to start on site by the end of March 2018 and will provide a range of 2 and 3 bed family homes to let. 75 new Council homes have funding approved by the Homes and Communities Agency and officers are working on the site details in order to start building these in 2018/19. Our Housing Provider partners have to date this year built 423 affordable homes and will build a further 470 in 2018/19.
- 4.3 The Government has recently announced changes to the funding arrangements of supported housing. A ring fenced Local Grant Fund is proposed for short term supported and transitional housing to come into effect from April 2020 to replace funding currently provided through Housing Benefit. This is for people who are experiencing homelessness and may have additional support needs, those fleeing domestic abuse, vulnerable young people, offenders, and those with substance misuse problems. The amount of funding will be set on the basis of current projections and future need. Modelling of future demand will need to be as accurate as possible to ensure there is no significant shortfall. There is currently a consultation on the proposal.

5.1 Enhanced Winter Provision

- 5.1 Plans are being finalised with a range of partners from the Partnership to deliver a coordinated and extended winter provision for rough sleepers which goes beyond standard provision. This will provide an opportunity to engage with people who may have been reluctant to accept support in the past and with people who are new to the streets.
- 5.2 The Council will fund an additional shelter each night from December 2017 to March 2018, for up to 20 rough sleepers with more complex needs. The shelter will be staffed by experienced paid workers who will provide advice and support to rough sleepers, and refer them into key services such as substance misuse and other healthcare.
- 5.3 We will continue to provide the 90 additional bed spaces that were funded last winter, and make contingency plans as appropriate for cold weather.
- 5.4 The costs of providing the severe weather provision is already allowed for within the Homelessness budgets, it is forecast that to provide the enhanced winter provision will cost a further £100k this is not currently provided for within the homelessness budget. An application for additional resources from within the corporate contingency has been made.

6 Review of the Homelessness Strategy

- 6.1 Manchester's Homelessness Strategy is due to be refreshed in 2018. This will be led by the Partnership and developed collaboratively with people who have experienced being homeless, support services and the Council. The introduction of the Homelessness Reduction Act 2017 in April 2018 will require the Council to work with significantly more households, earlier, in order to prevent them from becoming homeless. Partners will also have a duty to refer where they think households are at risk of becoming homeless. This will require us to work in closer partnership and build on the work undertaken to date.
- 6.2 The Strategy will need to focus on increasing the amount of early intervention and prevention in anticipation of the impact of the 2017 Act and Universal Credit. We will also need to increase access to settled homes in the future so that over time we can reduce the need for temporary accommodation.

7. Overall Financial Impact

Budget Pressures

- 7.1 The rise in homelessness, introduction of welfare reform and the Homelessness Reduction Act is at a time of significant Government cuts in public spending. Manchester City Council's overall budget has reduced by more than 40% in real terms since 2010. The total spend on homelessness has reduced over this time and is now around £11.5 million, including:
- Advice contracts: £0.885m
 - Prevention Grant: £0.586m
 - Temporary and Supported Accommodation: £9.549m – of which:
 - In-house: £4.897m
 - Commissioned: £4.652m
 - City Centre Review (this includes evening provision, volunteer service and street support): £0.900m over two years.
- 7.2 In October 2017 the City Council wrote to the DCLG regarding the pressures faced from the introduction of the Flexible Homelessness Support Grant which failed to recognise the growth in the numbers of homeless. This is attached at Appendix 1. As highlighted earlier in this report Manchester faces significant challenges from high numbers of households who have lost accommodation in the private rented sector as a consequence of 'no fault' evictions. Wherever possible Manchester strives to keep households out of bed and breakfast accommodation and as such places households in the private rented sector. From the point that the Flexible Homelessness Support Grant replaced the Temporary Accommodation Management Fee (TAMF), the City Council has had a pressure on its budget. The main driver for the pressure has been the use of baseline data which was significantly out of date and which did not reflect the current profile of numbers or the ongoing growth which is predicted. The funding shortfall is now estimated as £1.9m for the year and is the reason for the period 7 reported budget overspend of £1.848m.

7.3. A summary of the financial position at period 7 is shown below:

	Budget	Actual to period 7	Projected outturn	Over/underspend
	£000	£000	£000	£000
Singles accommodation	697	639	656	-41
Families accommodation	-631	-63	-892	-261
Bed and Breakfast	1,423	1,465	1,743	320
Specialist accommodation	242	205	243	1
Assessment	909	478	822	-87
Management	259	212	336	77
Prevention	1,801	891	1,662	-139
Rough sleepers outreach	192	152	223	31
City Centre review	7	7	7	0
Tenancy Compliance	231	131	246	15
TAMF	0	0	1,932	1,932
Total	5,130	4,117	6,978	1,848

- 7.4 There are further pressures in Council services outside of Homelessness in relation to Children's Services and the Discretionary Housing Payment (DHP) scheme.
- 7.5 Children's Services have a budget pressure of £250k for 11 additional supported accommodation placements for care leavers reaching the age of 18 to avoid the need for these young people to move into bed and breakfast accommodation. The service is developing a commissioning proposal with Strategic Housing that seeks to provide additional supply of housing for young people living independently.
- 7.6 The Discretionary Housing Payment (DHP) scheme is designed to provide an amount of funding to deal with anomalies and hardship in situations where normal Housing Benefit does not cover the rent. The 2017/18 budget is £2.6m and by the end of September 2017 £2.1m (81%) of the budget has been allocated, this compares to 66% at the same point last year. Short lease DHP spend makes up c25% of the allocation mostly due to families in temporary accommodation affected by the benefit cap and those who are on Universal Credit and subject to the Local Housing Allowance rate for calculating housing costs. The remaining budget is unlikely to be sufficient to assist vulnerable people to remain in their homes and prevent further homelessness. It is proposed the budget is increased by c£0.5m, this will be a call on the corporate contingency and is subject to approval by the City Treasurer, Executive Member for Finance and Human Resources and Executive.

- 7.7 The budget proposals agreed at Executive in February 2017 allowed for £1.5m of investment into the service in recognition of the increasing numbers of presentations and the complex cases already accommodated that are difficult to move on. The investment has allowed the service to develop new pathways from rough sleeping to assessment, as well as improve prevention through the development of a Housing Options service. It has also helped with increasing staffing to a service that was set up to deliver support to 150 families, which is currently dealing with over 1,000 families. Work is being progressed with MHCC to include wrap around first response care from health and social care services such as drug and alcohol treatment and mental health services. The investment into the service has been fully utilised.
- 7.8 The Executive in February also agreed investment of £4.558m to support the implementation of the findings of a review of public services in the City Centre, including action to tackle rough sleeping and begging. This has been funded through existing City Council resources, this funds planned activity in 2017/18 and 2018/19 financial years. The £4.558m included £984k in relation to rough sleeping, begging and homelessness. Other funding was available for licensing, compliance and enforcement. In order for activity to continue beyond 2018/19 then funding requirements will need to be considered as part of the budget process following completion of the evaluation.
- 7.9 The proposed capital investment in both the additional temporary accommodation provision and the Longford Centre will have ongoing revenue requirements. The Longford Centre is an additional service that is forecast to cost around £602k per annum. The amount available towards the costs of the Centre from the Greater Manchester Combined Authority is £745k over two years. There is therefore an annual budget shortfall for the centre which will be considered as part of the City Council's overall budget process.
- 7.10 To provide the enhanced weather provision for 2017/18 there will be costs of c.£100k, for which there is currently no budget provision. An application is to be made to access the corporate contingency so that the higher level of service can be provided over the coming winter months.

Capital

- 7.11 The costs of acquiring the additional temporary accommodation capacity will be funded from within existing strategic acquisitions budgets. A business case is currently being prepared as part of the Capital Checkpoint process in order to ensure the necessary approvals are in place prior to commencing.
- 7.12 The capital requirement for the Longford Centre will be approximately £252k.

Potential Budget Pressures

- 7.13 It is currently unknown how universal credit will work with both dispersed accommodation and bed and breakfast accommodation. Due to the length of time people remain in B&B accommodation (approximately 9 days) it is possible that the Council will not be paid for any placements in B&B

accommodation. As it is currently not confirmed whether dispersed accommodation will be regarded as supported housing or not, it is possible that this will be placed under UC and therefore be subjected to similar increased rent arrears as other UC properties.

- 7.14 Officers are currently working on ways to mitigate these budget pressures, and plans to provide accommodation at the prevention stage are being developed to divert people away from both bed and breakfast and temporary accommodation, but these schemes will need investment in order to reduce the amount of money being spent on B&B and temporary accommodation in the long term.

8. Next Steps

- The Homelessness Strategy is currently being developed through the Homelessness Partnership.
- Evaluate the impact of investment into the City Centre Review
- Draw down funding from GMCA to support the Longford Centre
- Prepare for the introduction of the Homelessness Reduction Act
- Develop proposals to reduce bed and breakfast and temporary accommodation costs by increasing prevention services
- Respond to the national supported housing consultation and prepare for implementation

Appendix - Letter to DCLG on the Flexible Homelessness Support Grant

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25 October 2017

Ms Fiona Darby
Deputy Director
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Department of Communities and Local Government
2 Marsham Street
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Dear Ms Darby

FLEXIBLE HOMELESSNESS SUPPORT GRANT – FINANCIAL IMPLICATIONS FOR MANCHESTER

Manchester City Council generally welcomes national policy direction which gives increased financial freedom and flexibilities to Local Authorities. However, the introduction of the Flexible Homelessness Support Grant has had a significant detrimental financial impact on the Council, which will stifle progress on delivering the homelessness strategy to improve the outcomes for homeless people in Manchester.

Manchester faces significant challenges in meeting the needs of families and single people who are becoming homeless within the city. Homelessness linked to the private rented sector has grown significantly over recent years and a high number of our homeless households have lost accommodation in the private rented sector as a consequence of 'no fault' evictions. Many of those families affected are working households who have struggled to find alternative accommodation. Manchester has also seen significant increases in the number of single people who are vulnerable because of mental ill health becoming homeless.

The City Council strives to keep as many households out of bed and breakfast accommodation as possible and has been innovative in the use of the private-rented sector to provide additional support to single homeless people and families who have been assessed as homeless within the legislation, as well as those who have been

found to be intentionally homeless. This work aims to reduce the numbers of families that require input from Children’s Services and to keep single people away from rough sleeping. The Council is increasingly focussed on intervening early so that where families have to move they can do so in a managed way, but we are currently in the position where we need to make significant use of temporary accommodation at this time.

The Council has deployed the Temporary Accommodation Management Fee (TAMF) to partially fund private sector temporary accommodation to prevent families and single people from being accommodated in Bed and Breakfast. However, the change in the funding system and speed of implementation, without transitional arrangements, and more importantly using baseline information which is significantly out of date and does not reflect the current demographic profiling and scale of growth that we are witnessing in Manchester, has resulted in an unacceptable loss of funding to the City.

The Council recognises the best intentions detailed in the consultation document, and initially felt reassured by statements from DCLG that no council would receive less funding than they would have estimated to get under TAMF. However, this has not been borne out in reality; Manchester has now received a grant allocation of £1.135m for 2017/18, which does not in any way meet the revenue required and fails to reflect the position that would have been anticipated under TAMF. Based on the number of households, which was 419, in dispersed temporary accommodation in April 2016, the amount of grant required would be approximately £2.4m and at August 2017, this has increased to £3m (951 households). This leaves a funding (grant) shortfall of approximately £1.8m, therefore, Manchester is receiving significantly less funding than under previous arrangements and has been seriously disadvantaged. This is compounded by the uncertainty of grant funding at all beyond 2018/19. The annual profile (April 2015 – August 2017) of funded dispersed accommodation is provided in the table below.

Dispersed Accommodation Numbers April 2015 - August 2017

	Apr-15	Sep-15	Apr-16	Sep-16	Apr-17	Aug-17	Movement from Apr-16
Singles	0	0	0	0	56	89	89
Families	279	315	419	561	698	862	443
Total	279	315	419	561	754	951	532

The funding shortfall is not sustainable and will necessitate emergency budget remedial measures, reducing resources available for addressing priority demands and deflecting attention from the urgent work needed to continue to deliver an updated prevention focused approach and to pilot new housing options.

It was also noted that a number of authorities received additional funding allocations to recognise high temporary accommodation commitments, yet there is no recognition of the significant obligations for Manchester.

As stated previously, the City Council appreciates the intention of the new funding formula and acknowledges that any single solution is unlikely to fully satisfy all requirements. However, this approach falls woefully short of addressing the real demand pressures facing Manchester and essentially the City Council is now financially in a far worse position than it would have ever anticipated under TAMF; placing a significant additional resource burden on the City, which ultimately is likely to affect the services it is able to provide to its residents, at an already challenging time.

The City Council wishes to petition the Secretary of State to review the financial impact on Manchester and consider a corrective resource distribution as soon as possible, which will support the Council and partners to focus on improvement arrangements for the growing number of homeless in the City.

I would welcome the opportunity to discuss this further and look forward to hearing from you.

Yours sincerely

Carol Culley
City Treasurer