



Report To: Executive Board

Date: 22nd January 2025

Subject: Acquisition and delivery of four accommodation pods within the locality of Skegness

Purpose: To seek approval and capital and revenue funding to provide four 'Amazing Grace' style accommodation pods, in order to provide a safe place for people that would otherwise be sleeping rough in the locality of Skegness.

Key Decision: No

Portfolio Holder: Cllr William Gray – Executive Portfolio Holder of Communities and Better Ageing

Report Of: John Leach – Deputy Chief Executive - Communities

Report Author: Helen Forman – Housing Strategy and Enabling Officer

Ward(s) Affected: Skegness Wards

Exempt Report: No
N.B. Appendix A is Exempt - Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972. The document contains commercially sensitive information.

Summary

The number of homeless clients and specifically people who are sleeping rough continues to rise across the district. A large percentage of these clients are classed as non-priority need and for varying, often complex reasons, are unable to be accommodated within current temporary or nightly paid accommodation in the locality. This often results in people sleeping rough for long periods of time.

The purpose of this report is to seek approval and capital and revenue funding to provide four 'Amazing Grace' style accommodation pods, in order to provide a safe place for people that would otherwise be sleeping rough in the locality of Skegness.

Recommendations

That Executive Board consider and approve:

- 1) The provision of four 'Amazing Grace' style accommodation pods for people that may otherwise need to sleep rough within the locality of Skegness, as set out in this report;
- 2) That delegated authority is provided to the Deputy Chief Executive – Communities in conjunction with the Portfolio Holder for Communities and Better Ageing to agree the specific location of the siting of such pods within the locality of Skegness.
- 3) An amendment to the Council's 2024/25 capital programme to include £70k for the provision of four pods and the allocation of a £10k revenue budget to be used as a contingency fund, both funded from reserves.

Reasons for Recommendations

- 1) To assist in meeting the needs of homeless households; specifically, people who are sleeping rough within the locality of Skegness.
- 2) To provide emergency accommodation for people who are sleeping rough.
- 3) To be better able to manage the risks posed by some people who sleep rough who are unsuitable for traditional accommodation.
- 4) To create an opportunity to engage and support people that are sleeping rough, providing the first step towards changing entrenched behaviours.

Other Options Considered

Do nothing - In this event the authority would not proceed with the purchase of the pods. As a consequence, the expected benefits set out in the Reasons for Recommendations section of this report would not be realised.

Alternative pods – Officers considered a range of options on the types of pods that are available. Following a thorough options appraisal and evaluation of several pod styles, taking account of cost, size, infrastructure requirements, management implications and general suitability, the preferred Amazing Grace style pod option set out in the report has been brought forward for Member consideration. The option to acquire an alternative pod style could be considered.

1. Background

- 1.1 There are many reasons why people become homeless. Limited options for affordable housing, unemployment, and life events such as the breakdown of a relationship or worsening mental health, may lead someone into homelessness. People sleeping rough is one of the most visible types of homelessness. People who are rough sleeping may do so outside or in places that aren't designed for people to live in, including cars, doorways, and abandoned buildings.
- 1.2 A significantly high proportion of people rough sleeping are single households, with a large number unlikely to be classed as 'priority need' under homelessness legislation.

Priority need being the threshold required for a Local Authority to house people in crisis.

- 1.3 Accommodation Pods are being used to provide emergency accommodation for people sleeping rough in a number of locations across the country including coastal areas such as North Devon and Cornwall. Pods come in different formats ranging from 'emergency pods' (small self-contained units including heating, electricity, a wash basin and bedding), small modular units (one bed unit with a separate living area and bathroom similar to a small one bed house) to large hostel type accommodation using shipping containers. This report focusses on emergency pods only.
- 1.4 The aim of the emergency pods is to provide a safe space for single homeless households who would otherwise have nowhere to go or, those who may not be able to reside in traditional bricks and mortar accommodation.
- 1.5 Often people who repeatedly sleep rough have very complex needs and in a high number of cases, are likely to have an addiction challenge (drug and/or alcohol issues) meaning that their accommodation options are very limited. In a number of these cases the Council may have a duty to accommodate these households but these clients are often unable to be placed in the Council's shared accommodation or nightly paid accommodation such as a 'bed and breakfast'. Accommodation pods provide an opportunity to more affordably accommodate those people that we have a duty to assist but can present as the most challenging and therefore potentially most costly as well when considering all their required needs.
- 1.6 During 2023/24 a total of 167 people were verified as sleeping rough within the district. For 2024/25, the number continues to increase with 152 people sleeping rough verified in the first 9 months of the financial year.
- 1.7 During 2023/24, 76% of verified people sleeping rough were located in Skegness.
- 1.8 As part of the 2024 annual rough sleeper spotlight count, carried out over an evening and early hour of the morning in November, 17 clients were found to be sleeping rough across the district. This provides an indication of the number of rough sleepers on any given night. The largest cohort of people sleeping rough were found to be in Skegness.
- 1.9 Furthermore, there are currently 798 households on the Council's housing register waiting for one bed accommodation in East Lindsey which equates to 47% of the waiting list. Only 78 applicants were housed in one bed accommodation or bedsits during 2023/24 and this also includes specialist older persons accommodation. This highlights the shortage of available accommodation for single households.

2. Supporting people sleeping rough

- 2.1 Housing needs data shows that people that are sleeping rough are spread across the district. However, the largest groups of people sleeping rough are single households located in Skegness.

- 2.2 When compared to more traditional forms of emergency accommodation the Accommodation Pods can provide a cost effective solution to help prevent rough sleeping and can be provided in reasonably short timescales. The cost of accommodating a client who is owed a full homeless duty but has complex needs can be significant and the Accommodation Pods can reduce this. They also provide a safe space for a homeless client who may otherwise have to sleep rough.
- 2.3 Pods provide accommodation for single homeless clients who either have no other options, have refused other housing options or are not able to cope with living in traditional bricks and mortar.
- 2.4 The pods are a first step in the homeless pathway and provide a safe and warm space with their own front door. They are a stepping stone towards more permanent and secure accommodation.
- 2.5 To best meet the needs of people who find themselves needing to sleep rough, it is proposed that Skegness would be the most suitable location for an initial accommodation pod provision as this is the location in ELDC where we see the greatest prevalence of rough sleeping in the district. This also presents a challenge as Skegness is a high priority tourist area so this needs to be considered carefully.
- 2.6 We understand from locations that are currently using this form of accommodation that the length of stay in a pod varies significantly depending on an individual's circumstances however the average stay is approximately one week. Residents can remain in the pods for a longer period of time however the Rough Sleeper Team would work with the occupant to identify more suitable permanent accommodation.
- 2.7 Visits have been carried out to see some of the different types of pods in use and a thorough review of the specifications and cost analysis of each type of pod has been carried out and documented at Appendix A.
- 2.8 After a full investigation of the different types of pods, it is proposed that the Amazing Grace style pods would be the most suitable option for the Council to progress. A procurement exercise was also carried out and quotes were requested from three different companies who supply accommodation pods. Two quotes were received and due to the individuality of each type of pod and the different specifications of each one it has been determined that the Amazing Grace pods would best meet the needs of the Council and is compliant with procurement procedures.
- 2.9 Amazing Grace style pods are small units which include a toilet, wash basin and bed, resulting in minimal running costs and capital costs. Taking in to account the purchase of the pods, the development costs, infrastructure costs and a contingency the total capital cost would be £70,000. This figure includes a contingency as there may be any additional costs that are specific to the site that may arise during the development process which cannot be predicted in advance.
- 2.10 They are standalone units and do not require connection to mains services. The pods run off solar panels with battery storage and the toilet operates using a cartridge system like a caravan toilet.

- 2.11 The cost of commissioning the emptying and replacing the toilet cartridges has been factored into the overall revenue costs of the project, along with the cost of cleaning the pods by an external company when a resident vacates the pod.
- 2.12 The day-to-day cleaning of the pod would be initially carried out by the resident who would be provided with a small cleaning pack. This has proven to be very successful in other locations across the country and encourages accountability to the individual utilising the pod. The Council's Rough Sleeper Team would also monitor this as part of their regular visits to the pods.
- 2.13 Support visits to the pods would be carried out by the Council's Rough Sleeper Team on a regular basis and this could be contained within the existing service provision subject to the continuation of the Government's Rough Sleeper Initiative Grant or similar. The residents would also be required to access the homeless services at the Storehouse facility in Skegness as part of the terms of their stay to ensure continuous engagement with the resident.
- 2.14 Additional professional security could be commissioned to visit the pods should the need arise if there were issues of anti social behaviour or cause for concern. However, a location with good visibility from CCTV will provide initial monitoring of the Pods prior to security being commissioned.
- 2.15 In summary, this report recommends that the Amazing Grace style pods are progressed because:
- From a procurement perspective they provide best value for money when compared to other similar style pods.
 - These pods offer a solution that is considered relatively aesthetically pleasing compared to other models of pod.
 - They do not require connection to mains services.
 - This model of pod has been tried and tested in other locations across the Country since 2020 and has proven to be successful in supporting people who are sleeping rough and encouraging positive first steps in a person's rehabilitation.
 - Overall and following a thorough procurement exercise it has been determined that these pods would provide the most suitable option for our area.

Revenue costs

2.16 The table below show the approximate revenue costs. It is important to note that these costs are likely to vary, depending on how long a person remains in the pod and therefore should be taken as an estimate.

Cost	Includes:	Approximate cost per annum
Utilities and products	<ul style="list-style-type: none"> - Toilet cartridges - Cleaning packs - Insurance - Sleeping bags 	£5,780
Routine maintenance	<ul style="list-style-type: none"> - Fire alarm checks - Varnish doors - General repairs 	£1,000
Staffing costs	<ul style="list-style-type: none"> - End of stay clean 	£15,020

	- Toilet emptying	
Support	- Daytime support visits	Within existing resources
TOTAL EXPENDITURE		£21,800
Housing benefit income		- £10,600
Remaining expenditure funded from Homeless prevention grant		- £ 11,200
CONTINGENCY FUND		£10,000

- 2.17 Whilst the management of the pods will be a new function for the Rough Sleeper Team, it considers that a significant percentage of the annual revenue costs may be covered by housing benefit payments which are estimated to be in the region of £10,600 per annum. This includes an allowance for void times and clients who are unable to claim housing benefit.
- 2.18 The remaining revenue costs could be covered from the Council's Homeless Prevention Grant subject to the government allocation of funding.
- 2.19 It is likely that the pods would be susceptible to differing levels of 'wear and tear' and damage from those accommodated or others, therefore suitable budget provision would need to be made available for repairs. It is therefore suggested that an initial £10k is therefore allocated to the project which can be monitored throughout the year.

Potential sites

- 2.20 Several locations in Skegness have been considered for the pods and it is suggested that agreement for the specific location of these units is delegated to the Deputy Chief Executive - Communities in conjunction with the Portfolio Holder for Communities and Better Ageing.
- 2.21 Any potential sites will be discussed fully with the Council's Assets Team to ensure that they would be appropriate.
- 2.22 Any potential site would be discussed with the Council's Development Control team and subject to the submission of more detailed information for approval where required under the Town and Country Planning Act.
- 2.23 The Development Control Team have also had discussions with the Environment Agency about this project and they have advised that they can see the merit to this project and would welcome a meeting to discuss further.

3. Conclusion

- 3.1. As set out earlier in this report and detailed in Appendix A, there is clear evidence of the need for emergency accommodation specifically for people sleeping rough, in the locality of Skegness.
- 3.2. A thorough appraisal of the different types of pods has been carried out and included as Appendix A.

- 3.3. This report proposes to deliver four Amazing Grace Style Pods within Skegness where the highest numbers of people sleeping rough are routinely recorded.
- 3.4. In line with the Council's procurement rules three quotes have been requested from companies who provide Accommodation Pods and to date two quotes have been received.
- 3.5. When considering the different types of pods the Amazing Grace Pods performed the best in terms of cost but also the specifications to meet the needs of the district.
- 3.6. The report proposes that the delivery of these units would require a capital cost in the region of £70,000 and a revenue cost of £21,800.
- 3.7. The report proposes that approximately half of the revenue costs may be funded through housing benefit payments and the remainder would be funded through the Homelessness Prevention Grant.
- 3.8. The report proposes that an allowance of £10,000 would need to be included for additional costs which could not be predicted in advance for example: damage to the pods.
- 3.9. If the option to provide pods is approved, discussions will be held with the Council's Assets Team to ensure any provision is suitable and appropriately located.
- 3.10. The report proposes that delegated authority is provided to Deputy Chief Executive - Communities in conjunction with the Portfolio Holder for Communities and Better Ageing to agree the specific location of the pods in Skegness.

Implications

South and East Lincolnshire Councils Partnership

The provision of this accommodation will provide information into the success of such a scheme that will be of benefit to all three councils in South and East Lincolnshire.

Corporate Priorities

Included in the Partnership's Sub-Regional Strategy are the aims to improve housing standards, deliver affordable housing based on housing needs and reduce homelessness and rough sleeping. The delivery of emergency pods will contribute towards addressing these issues and is consistent with these aims.

The project also aligns with the SELCP Annual Delivery Plan, which includes the acquisition of homes to meet housing need.

Staffing

Staffing resources to secure the acquisition of the pods could be provided by officers at ELDC, working with housing and communities staff from across the SELCP. A cost for staff time is recharged against the project.

Staffing for the management and support of the units could be provided by officers at ELDC who are currently funded through the Governments Rough Sleeper Grant. This is reliant on the continuation of the funding.

External services would need to be commissioned to carry out a deep clean of the pods when a resident leaves. The cost of this has been included within the annual revenue costings detailed in the report.

External services would need to be commissioned to empty and replace the toilet cartridges in the pods. This cost has been included within the revenue costings.

Workforce Capacity Implications

None –the management of the programme can be delivered through existing shared resources across the Partnership. As stated, this is reliant on the continuation of the funding.

Constitutional and Legal Implications

None

Data Protection

Client data would be managed in accordance with the Councils data protection policy and retention schedules.

Financial

If approved, the capital costs associated with the provision of the pods will be funded from the Council's Housing Reserve.

The majority of revenue costs are predicted to fall within the estimated level of housing benefit receipts and the remainder could be funded through the Homeless Prevention Grant. A contingency would be needed to be cover any costs which may occur which could not be predicted in advance for example, vandalism. Any additional costs might be covered by future grant funding such as rough sleeper grant and homelessness prevention grant.

Risk Management

Acquisition and development activity have inherent risks. A risk register will be compiled and reviewed prior to implementation of the project by the project team and risks mitigated where possible. Officers will seek to ensure that the pod acquisitions are executed in the best interests of the authority.

The financial evaluation provided at Appendix A includes indicative cost assumptions based on information from developing organisations and other Council's who utilise pods. These cost assumptions are considered robust in terms however an allowance would need to be factored in for damage which is unquantifiable.

There are some operation risks which would be assessed including the risk of anti social behaviour, medical emergencies and fire. These would be assessed as part of the future risk management process.

Stakeholder / Consultation / Timescales

Consultation has been carried out with the Executive Portfolio Holder of Communities and Better Ageing.

Reputation

Risks around reputation will be mitigated through a robust project management structure. The Delivery Team will work closely with colleagues in Communications to ensure that an appropriate communications plan is in place to address any potential PR concerns.

Provision of suitable accommodation will enhance the Councils reputation compared to people having no alternative to rough sleeping.

Contracts

In line with the Council's procurement rules three quotes have been requested from companies who provide pods and to date, two of those quotes have been received and fully assessed.

A provision has been included to commission a company to carry out the emptying of the toilets.

Crime and Disorder

The pods will be monitored and managed to ensure adequate security measures are in place.

The pods will be located in an area where there is appropriate CCTV coverage to ensure the safety of occupants and minimise any opportunities for crime and disorder.

Equality and Diversity / Human Rights / Safeguarding

Having a range of emergency accommodation options will assist the Council to be compliant with the Equality Act as well as safeguarding people through the provision of accommodation which meets their needs.

Health and Wellbeing

The delivery of these properties will contribute towards improving health and wellbeing in the district by the provision of emergency accommodation to address an identified housing need.

Climate Change and Environmental Implications

None

Acronyms

None.

Appendices

Appendices are listed below and attached to the back of the report:

Appendix A (Exempt): Analysis of rough sleeper accommodation using homeless pods.

Background Papers

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.

Chronological History of this Report

A report on this item has not been previously considered by a Council body.

Report Approval

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