

DRAFT GROWTH PROPOSAL

Proposal Title:	Housing Benefits		
Reference:	GRO / RES 001 / 21-22	Growth Type:	Budget Pressure
Directorate:	Resources	Growth Service Area:	Central services
Directorate Service:	Benefits Service	Strategic Priority Outcome:	6. People live in good quality and affordable homes and neighbourhoods
Lead Officer and Post:	Roger Jones, Head of Revenues Service	Lead Member and Portfolio:	Cllr Candida Ronald, Cabinet Member for Resources and the Voluntary Sector

Financial Impact:	Current Budget 2020-21	Growth 2021-22	Growth 2022-23	Growth 2023-24	Total Growth
Budget (£000)	164,379	4,600	-	-	4,600

Staffing Impact (if applicable):	Current FTE 2020-21	FTE Increase 2021-22	FTE Increase 2022-23	FTE Increase 2023-24	Total FTE Increase
Employees (FTE) or state N/A	N/A	N/A	N/A	N/A	N/A

Proposal Summary:

This budget realignment is requested to align the Housing Benefit budget for the cost pressure created by rental costs above the level of housing subsidy received by the Council. This mainly relates to temporary accommodation which can cost circa £500 per week compared to housing subsidy of circa £240 per week.

The Council is impacted by high rental costs due to being an inner London borough and this has been further exacerbated by the Covid-19 pandemic increasing demand and its economic impact on the level of housing benefit claims.

The situation is being kept under constant review as the economic impact of the pandemic and the government response to local government funding requirements unfolds. At the time of writing, the total shortfall in government housing benefit funding is estimated at circa £8.9m. Potential funding sources to support the £4.3m increase due to Covid-19 since 2019-20 could include the non-ringfenced Covid-19 emergency grant and specific government grants for homelessness and rough sleeping.

The Place directorate has submitted a savings proposal for transformation of homelessness services which aims to decrease Housing Benefits pressures through alternative accommodation provision.

Budgeted Outcomes / Accountability (focus on improved performance):

This budget realignment proposal supports the Council's strategic priority of people living in good quality and affordable homes and neighbourhoods.

Risks and Implications:

The continued financial risk from the level of housing subsidy from government compared to actual service provision costs will continue to be monitored closely. There is no change to service risks created through this budget realignment.

Value for Money and Efficiency:

Please refer to the separate savings business case for transformation of homelessness services which aims to improve value for money and efficiency of accommodation services.

GROWTH PROPOSAL - BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	No	

Summary:	
To be completed at the end of completing the Screening Tool.	
Based on the Screening Tool, will a full EA will be required?	No

Additional Information and Comments: