

## **CONSULTATION QUESTIONS & ESC RESPONSE**

### **Funding arrangements for the Homelessness Prevention Grant from 2026/27 onwards**

Full details can be found here: [Funding arrangements for the Homelessness Prevention Grant from 2026/27 onwards - GOV.UK](#)

#### **CONSULTATION QUESTIONS:**

**1. Do you agree with the proposal to use 'total Housing Benefit (HB) + Universal Credit (UC) claimants' as a measure of homelessness demand?**

- Yes
- **No**
- Indifferent
- If you have answered 'no' or 'indifferent', you are welcome to provide further comment on your reasoning and/or an alternative approach [free text box]

**No:** Based on the in-principal calculations shared, ESC will be worse off by around £100,000 based on this formula. It is the case that funding need can be measured by demand, but we can't see that the total HB/UC claims will give a clear indication of this. In some cases, there will be no claims for applicants presenting as they may have no recourse to public funds, or they may be working and funding their own temporary accommodation for example.

We are also seeing more people presenting that historically would not have needed our assistance. These people are working and either have mortgages or pay rent, which is above LHA levels, and they may not be eligible for HB/UC.

Therefore, we feel there are a potentially significant proportion of people who won't be 'captured' in this methodology.

**2. Do you agree with the proposal to use 'TA Numbers' as a measure of TA demand?**

- Yes
- **No**
- Indifferent
- If you have answered 'no' or 'indifferent', you are welcome to provide further comment on your reasoning and/or alternative approach [free text box]

**No:** The number of TA units in use does not reflect the demand, as there are not enough units for everyone requiring one. Therefore, the demand is higher than the number of TA units being used.

In addition, an average of available recent data for TA numbers may not offer a reliable picture of TA demand. In addition, the allocation needs to be based on missing data and if the government uses national figures, we as a LA can be negatively affected if other District Councils do not record their data accurately. Furthermore, if TA does not include B&B/Nightly Let, then this isn't representative.

**3. Do you agree with the proposal to use 'mean rents in the PRS' as a measure of homelessness costs?**

- Yes
- **No**
- Indifferent
- If you have answered 'no' or 'indifferent', you are welcome to provide further comment on your reasoning and/or alternative approach [free text box]

**No:** This may not offer a fair allocation. East Suffolk is a large demographic area and as a result the rental increase in the South of the district has been affected by external factors that may not necessarily be considered when using the average rent increase across the Country. In England rent inflation was 11% at its highest in areas such as London, where other areas may have had a much lower increase of 5%. It is the case that due to pressures such as Sizewell C Nuclear Power Station the rental market in East Suffolk has increased dramatically within the site radius and therefore this will have to be considered in the short and long term.

**4. Do you agree with the proposal to use the 'labour cost adjustment' as a measure of homelessness costs?**

- Yes
- **No**
- Indifferent
- If you have answered 'no' or 'indifferent', you are welcome to provide further comment on your reasoning and/or alternative approach [free text box]

**No:** The costs for homelessness should be specific for each LA. This cannot be used as a reliable source to determine homelessness costs.

5. If your local authority is located within London, do you agree with the proposal to apply 'average costs for London'?

- **Our local authority is not located within London.**

- Yes
- No
- Indifferent
- If you have answered 'no' or 'indifferent', you are welcome to provide further comment on your reasoning and/or alternative approach [free text box]

Our local authority is not located within London.

6. Do you agree with the proposal to use 'mean rents in the PRS' as a measure of TA costs?

- Yes
- **No**
- Indifferent
- If you have answered 'no' or 'indifferent', you are welcome to provide further comment on your reasoning and/or alternative approach [free text box]

**No:** We are concerned that if the Council has to make placements out of area where the costs will be higher, this will have a higher impact on the Councils spend when using TA.

7. If your local authority is located within London, do you agree with the proposal to apply 'average costs for London'?

- **Our local authority is not located within London**

- Yes
- No
- Indifferent
- If you have answered 'no' or 'indifferent', you are welcome to provide further comment on your reasoning and/or alternative approach [free text box]

Our local authority is not located within London.

**8. Do you agree with the proposal to use RO4 (Revenue Outturn tables on TA spend) to approximate TA numbers where there is no TA data available for the given year?**

- Yes
- **No**
- Indifferent
- If you have answered 'no' or 'indifferent', you are welcome to provide further comment on your reasoning and/or alternative approach [free text box]

**No:** There can be discrepancies between how local authorities interpret the RO4 meaning the information used will not be consistent across the board. We do not think this will pick up the true cost which will likely be more.

**9. What do you think is an appropriate split of HPG funding between temporary accommodation and prevention and relief?**

- 45% TA and 55% prevention and relief
- More than 45% on TA and less than 55% on prevention and relief
- Less than 45% on TA and more than 55% on prevention and relief
- **Other**
- Indifferent
- You are welcome to provide further comment on your reasoning and/or alternative approach [free text box]

**Other:** A minimum of 55% on prevention, but this can be higher if chosen to be.

**10. Should there be a phased approach to implementing a change in weighting? For example, implement a partial change in weighting in year 1 and the full change in year 2.**

- **Yes**
- No
- Indifferent
- You are welcome to provide further comment on your reasoning and/or an alternative approach [free text box]

**Yes:** This will help with planning spend for the new allocated level of grant whether that be more or less than previous years.

**11. If prevention and relief spend represented 55% of overall HPG funding, what do you think is an appropriate split between labour and rent costs?**

- 30% labour 25% rents
- More than 30% on labour
- More than 25% on rents
- **Other**
- Indifferent
- If you have answered 'other or 'indifferent', you are welcome to provide further comment on your reasoning and/or alternative approach [free text box]

**Other:** Adding more restrictions to how the grant can be spent is only going to make it more difficult for Local Authorities to provide their service. Where one Council may spend more on staffing, which works well in their district, another may find rent costs are higher. There should be no restriction added.

**12. Do you agree with the proposal to use transitional arrangements to mitigate changes in funding allocations?**

- **Yes**
- No
- Indifferent
- If you have answered 'no' or 'indifferent', you are welcome to provide further comment on your reasoning and/or alternative approach [free text box]

**Yes:** This seems sensible.

**13. Do you agree with the proposal to use transitional arrangements in line with the caps used in the previous formula (2% in the first year and 5% in the second)?**

- Yes - agree with 2% and 5%
- No - the % caps should be lower
- No - the % caps should be higher
- No - I do not agree with transitional arrangements

- Indifferent

**Indifferent:** Without knowing if the change will be a positive or negative impact, it is hard to determine the cap level. Perhaps the cap could be lower for those being negatively impacted.

**14. If you answered Q13 with “the % caps should be lower – what % range would you prefer?**

- Up to 1%
- Up to 2%
- Up to 3%
- Up to 4%
- Up to 5%
- None of the above

- Indifferent

**Indifferent**

**15. If you answered Q13 with “the % caps should be higher – what % range would you prefer?**

- 5-10%
- 10-15%
- 15-20%
- Higher than 20%
- None of the above

- Indifferent

**Indifferent**

**16. Do you agree with the proposal for transitional arrangements to be tapered between financial years?**

- Yes - I agree the cap should be increased in later years
- No - the % caps should be the same in all years
- No - I do not agree with using transitional arrangements

- **Indifferent**

- If you have answered 'no' or 'indifferent', you are welcome to provide further comment on your reasoning and/or alternative approach [free text box]

**Indifferent**