

THURSDAY, 16 MARCH 2017

**REPORT OF THE PORTFOLIO HOLDER FOR HOUSING SERVICES****HOMELESSNESS PREVENTION STRATEGY UPDATE****EXEMPT INFORMATION**

N/A

**PURPOSE**

To inform Cabinet on progress regarding the implementation of the Homelessness Prevention Strategy 2016-20 and to provide an update on the wider policy context that directly impacts on the Council's capacity to assist local people in housing need.

Additionally, the report seeks Cabinet approval of a number of key policies that will further support the delivery of the Strategy Action Plan and strengthen the Council's approach to the prevention of homelessness.

The report also seeks approval for an increase in the budget for temporary accommodation for the 2016/2017 financial year.

The report also seeks approval from Cabinet to formerly end the tender process for the proposed Practical Support scheme and agree alternative uses for the £25K allocated resources for this project are explored.

**RECOMMENDATIONS**

**That Cabinet approves the Discharge of Duty into the Private Rented Sector Policy as shown at Appendix A.**

**That Cabinet approves the Temporary Accommodation Policy shown at Appendix B.**

**That Cabinet agrees to the conclusion of the Council's Sanctuary Scheme and approves changes to the manner in which the Housing Solutions Fund is administered to prevent homelessness**

**That Cabinet approves an increase of £100K in the Bed and Breakfast income and expenditure budgets for the 2016/2017 financial year as set out in the financial implications section of the report**

**That Cabinet confirms the termination of the current procurement exercise for the provision of a Practical Support Service**

**EXECUTIVE SUMMARY**

In November 2015, Cabinet approved the Homelessness Prevention Strategy 2016-20. The Strategy clearly set out how the Council and its partners will provide effective services and assistance to those residents who are either homeless or at risk of becoming homeless. The Strategy, endorsed by Members, was supported by an Action Plan.

The policy context in which the Council now operates has changed over recent years and has required us to review service delivery and refresh our approach to housing and housing related support. This has been particularly evident regarding homelessness services in Tamworth. There has been an increase in demand both locally and nationally. In addition the proportion of those seeking assistance with housing issues who are vulnerable or who have complex needs is also increasing.

This, combined with the withdrawal of other services that provided valuable support and the on-going impact of Welfare Reform, has resulted in increased demands on the Council's housing services resulting in , an increased use of temporary accommodation, additional pressure on the already limited supply of affordable housing in the Borough and a need for more involved case management and support of vulnerable clients.

It has therefore been necessary to review and refresh our approach to homelessness prevention within this wider context to ensure the resources we have at our disposal are utilised effectively to assist those residents in need and to generate savings to the Council and its partners by preventing homelessness, negative impacts on health and well-being and other social problems that increase demand on the system and budgets, particularly those utilised for the provision of temporary accommodation.

Additionally, the approach to Homelessness Prevention in Tamworth will in all likelihood be revised to accommodate anticipated legislative change that will arise from the passage of the Homelessness Reduction Bill through the House of Commons.

In addition to approving the Homeless Prevention Strategy in November 2015, Cabinet also gave approval for the Council to participate in the Gold Standard scheme. The proposals within this report further support this ambition and contribute towards the delivery of quality services for the customer.

A number of measures are consequently proposed against this backdrop of increased pressure on the Housing Solutions Team and the anticipated legislative change highlighted above that will place a legal duty on Local Authorities to prevent homelessness. This process of change and service development will be on-going and members will be further updated as revised plans are formulated. At this point, the following initiatives are proposed to ensure the service continues to develop and evolve to meet current and future challenges.

### **Discharge of Homelessness Duty into the Private Rented Sector (PRS)**

Where the Council has accepted that an applicant is homeless, eligible for assistance, in priority need and not intentionally homeless, the main housing duty is to secure suitable accommodation. Under current arrangement, the majority of accepted homeless households have been rehoused into social housing on a secure, fixed term or assured tenancy.

However, the Localism Act 2011 introduced changes that provide a power for the Council to end its main homeless duty through an offer of suitable private rented sector accommodation without requiring the applicant's agreement.

It is proposed that the Council, in line with government policy and aspirations to effectively utilise social housing for those people who are vulnerable and in the most need, introduces a Policy to Discharge Homelessness Duty into the Private Rented Sector (attached at **Appendix A**).

The Policy meets the legislative requirements to demonstrate:

- How the regulations will be used and;
- How the individual circumstances of each household will be considered when deciding whether to apply this option.

The Policy also sets out measures that are designed to ensure:

- the property is suitable for the purposes of discharge of duty and has been assessed as

- such against agreed criteria
- the landlord is a fit and proper person (again against agreed criteria)
- a fit for purpose Tenancy Agreement is in place
- a Tenancy Deposit is placed in the Tenancy Deposit Protection scheme
- the household has been assessed as being suitable for a PRS offer of accommodation
- further consideration is made of factors such as the location of the property; affordability and property size and design

The Council has a duty to make one reasonable offer of either social or privately rented property to discharge its duty to an accepted homeless household.

If the applicant either refuses or fails to respond to a suitable offer of accommodation the Council can end its statutory duty to provide accommodation. All applicants will have this explained to them in writing at the time of acceptance.

Applicants will be able to request a review be undertaken should they dispute the decision made by the Council or their suitability to be offered PRS accommodation.

Enabling the Council to discharge its Homelessness Duty into the PRS will encourage better use of the existing social housing stock to accommodate those in the most need, empower the Housing Solutions team to realistically pursue alternative options to discharge duty that will reduce demand on social housing and comply with the policy direction as set out in recent government legislation and directives.

### **Temporary Accommodation Policy**

As per the relevant aims set out in the Homelessness Prevention Strategy 2016-20, the Temporary Accommodation Policy (as attached at **Appendix B**) sets out how the Council will meet its responsibilities to people who are homeless or threatened with homelessness in Tamworth. The policy also supports recent case law from the Supreme Court (*Nzolameso v Westminster, 2015*). This ruling set out that Local Authorities must produce a policy which sets out how it will procure accommodation for households who are homeless in its district and in which circumstance out of area accommodation may be utilised.

The policy is compliant with these requirements placed on the Council and its statutory duty to assist households presenting as homeless where they are eligible for assistance and in priority need.

The Policy sets out how the Council will utilise Temporary Accommodation (TA) when households have been accepted as homeless or are owed a homelessness duty, or in some cases when their homeless application is being investigated.

The Council will utilise a range of TA (including B&B accommodation, Private Sector Leasing Scheme properties, hostel accommodation and Council Housing) and seek to accommodate homeless households within suitable accommodation within the Borough. However, given increasing demand on the Housing Solutions service to assist homeless households, it has become increasingly difficult to acquire suitable TA within the town and out of Borough accommodation is sometimes sourced to enable placements to be made to fulfil the Council's housing obligations.

TA utilised by the Council is subject to periodic assessment to ensure continued suitability and affordability.

With regard to B&B accommodation, the Policy clearly highlights the intention to limit its use for 16/17 year olds, families with dependent children, pregnant women and those with ill health. Where no other suitable accommodation exists and such placements are necessary, the Council will endeavour to move such households to more suitable accommodation within six weeks.

As demand continues to increase and the use of B&B accommodation has become more

prevalent, strategies are currently being formulated that are designed to reduce the use of B&B's and ensure vulnerable households are not placed in such accommodation at all. Further reports to Cabinet will be submitted to agree any necessary changes to policy to achieve these strategic aims.

As specified within the policy one offer of accommodation will be made where it has been established there is a duty to accommodate temporarily in emergency Temporary Accommodation. If an applicant refuses an offer of accommodation and the Council considers the offer suitable, the Council's duty will cease and the applicant shall not be offered further TA and shall alternatively be required to make their own arrangements. The Council's policy does not provide the right of review against the suitability of accommodation offered.

However, Where an applicant is accepted for a main housing duty, longer term suitable temporary accommodation will be provided. Again, the Council will make one offer of suitable accommodation but in this instance there is a right to request a review of the suitability of accommodation.

The policy is also compliant with legislative requirements to end the use of TA.

The Temporary Accommodation policy is intended to provide clarity as to how the Council will meet its responsibilities to people who are homeless or threatened with homelessness. The policy will remain under review to take account of increasing demand, the continued availability of good quality TA and to develop viable alternatives to the use of B&B accommodation.

#### **Cessation of the Sanctuary Scheme**

A key action within the Homelessness Prevention Strategy approved in 2015 was to review homelessness prevention tools. As part of this, a review of the Sanctuary Scheme revealed that many of these installations were often crime prevention measures rather than full Sanctuary Schemes (such as fully converted sanctuary rooms) or measures designed to prevent homelessness occurring.

Given this evidence and other national shifts in policy away from Sanctuary Schemes as best practice, it is proposed that the Sanctuary Scheme in its current format be formally ended and funds for this purpose are incorporated into the Solutions Fund to re-focus the purpose of this activity away from crime prevention and back to the prevention of homelessness and wider the criteria to include race and hate crime which could lead to the loss of the home. A full risk assessment was completed as part of this review and is attached at **Appendix C**.

#### **Bed and Breakfast Budget**

It is also proposed that an additional £100K be made available for the Bed and Breakfast budget. Any additional expenditure on the Bed and Breakfast budget is offset by increased income received from rent charged to service users. This is in addition to the £100K increase to this budget already actioned this financial year. This request is necessary due to the further increase in demand for Temporary Accommodation (TA) over the course of the last 12 months. The number of people in B&B has continued to increase in recent months. Additional budget will therefore be required to ensure sufficient resources are in place until the end of the financial year. A review of TA is underway and a key priority for the new Homelessness Prevention Strategy is to reduce the reliance on B&B and seek to utilise a range of options that better meet the needs of customers and offer value for money alternatives for the Council. It is anticipated a further report to Cabinet detailing options and recommendations will be forthcoming in March 2018.

#### **Practical Support Scheme**

Cabinet on 29<sup>th</sup> September 2016 delegated authority to the Director of Communities, Partnerships and Housing to procure a Practical Support Service. However, since this time a changing picture of demand upon the Council with an increase in more complex and vulnerable cases has resulted in the need to review the type of service being procured. It is therefore proposed that the current procurement exercise for the provision of a Practical Support Service is terminated and alternative uses for funding allocated for this purpose are explored.

**OPTIONS CONSIDERED**

**Discharge of Homelessness Duty into the Private Rented Sector (PRS)**

Options	Benefits	Risks
Do nothing	Free up social housing for those in most housing need	Additional pressure on social housing  Status quo maintained and current perceptions around social housing perpetuated
Implement policy	Increase housing options available  Earlier prevention homelessness  Relieve pressure on Temporary Accommodation  Reduce risk of legal challenge re: TA  Improve management of customer expectations around the allocation of social housing  Landlords work with the council to assist in the improvement of property conditions in the PRS	Potential for legal challenge and complaints increased  Landlords unwilling to work with Council  Properties not available in PRS  Additional pressure on Private sector Housing Team

**Temporary Accommodation Policy**

Options	Benefits	Risks
Do nothing	There are no tangible benefits to the council in not having a TA policy	Legal challenge arising from recent case law applied to out of borough placements  No clear approach how the Council places people in TA  Council not compliant with legislation  TA not meeting required standards  Weak approach to TA reflected in Gold standard assessment process and failure to meet set challenges

Implement policy	<p>Clear approach in place to placement in TA</p> <p>Risk of legal challenge reduces</p> <p>Compliant with relevant legislation</p> <p>Clarity provided for officers and customers re: approach to TA</p> <p>Provides a framework that supports anticipated proposed legislative change</p> <p>Improved standards in TA</p> <p>Assist in achieving Gold standard</p>	<p>Lack of suitable TA available to meet increasing demand</p> <p>Increased workload for Private Sector Housing Team</p> <p>TA does not meet required standards and providers don't co-operate to rectify</p>
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### Cessation of the Sanctuary Scheme

Options	Benefits	Risks
Do nothing	Scheme is retained	<p>Scheme in its current format is not fit for purpose placing customers at risk of harm</p> <p>Best Practice has moved away from Sanctuary schemes due to risks</p> <p>Continues to be utilised as a crime prevention measure rather than for its intended purpose of preventing homelessness</p> <p>Not being utilised to its full potential</p>
End the current Scheme and incorporate measures into Solutions Fund	<p>One simple fund for officers linked to the prevention of homelessness</p> <p>Offer a scheme which is more relevant and fit for purpose</p> <p>Clarity of the purpose and its links to homelessness</p>	<p>Demand increases and unable to meet it</p> <p>Partners fail to recognise the purpose of the scheme</p>

	<p>prevention</p> <p>Wider approach linked to other support agencies benefiting the customer</p>	
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### **Financial Implications**

#### **Discharge of Homelessness Duty into the Private Rented Sector (PRS)**

There are no direct financial implications associated with the introduction of this policy. However demands on the Private Sector Housing Team are likely to increase and there may also be potential for an increase in legal challenge and costs attached to this.

It is difficult to anticipate the exact cost implications until the policy is implemented.

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It is difficult to anticipate the exact cost implications until the policy is implemented.

#### **Cessation of the Sanctuary Scheme**

A spend plan attached to the Homeless Prevention Strategy was approved at Cabinet in November 2015. This allowed for £20K per annum to be allocated to the delivery of the Sanctuary Scheme. The above proposals to end the scheme and re-divert resources would require available resources to be added to the Housing Solutions Fund to enable officers to utilise funds to prevent homelessness.

#### **Bed and Breakfast Budget**

A further increase of £100K is requested for the B&B income and expenditure budgets in order to ensure sufficient resources are in place to meet demand until the end of the financial year. Increased demand over the last 12 months has resulted in the original budget of £192,280 being expended by November 2016. An increase in budgets of £100k was approved by the Section 151 Officer in line with Financial Regulations in order to meet further costs to the end of the financial year. However, as demand has continued to increase and this additional budget will soon be exhausted, it has become necessary to request a further £100K which under Financial Guidance will need Cabinet approval. Any increase in the Bed and Breakfast expenditure budget will be offset by an increase in income received from rent charged to service users. As the number of people in B&B has been further increased in recent months, the additional budget will be required to ensure sufficient resources are in place until the end of the financial year while alternatives to B&B are identified. As the rental charged is subject to Housing Benefit Regulations there will be an element that is not fully funded by Housing Benefit Subsidy. Any element of unsubsidised rental will fall as a cost to the General Fund. There should be sufficient budget within the Housing Benefit Budgets to finance any excess expenditure.

#### **Practical Support Scheme**

There are no financial risks associated with the decision to terminate the procurement exercise. The Council's procurement officer and solicitor to the council have confirmed that the Council has the ability to withdraw from the tendering process.

#### **LEGAL/RISK IMPLICATIONS BACKGROUND**

Homelessness, its prevention and Part VII duties are one of the Councils Statutory functions and failure to implement the Discharge of Duty into the Private Rented sector Policy, the TA

policy and changes to the existing Sanctuary Scheme could result in the Authority facing significant legal challenge in the form of Judicial Reviews.

The individual risks of each of the schemes are highlighted in the tables above.

### **SUSTAINABILITY IMPLICATIONS**

The Council has for many years taken a prevention approach to tackling homelessness seeking to offer support to households in meeting their own housing needs wherever possible. The proposal within this report offer an opportunity for the Council to continually improve its homelessness prevention services and reduce the risk of legal challenge.:

The vision, priorities, objectives and actions contained in the Homelessness Prevention Strategy will contribute towards meeting targets and priorities set at national level as well as taking into account local evidence. They also feed into a number of corporate aims, objectives and strategies as well as those of many of the partner agencies involved in delivering housing and related services in the Borough

### **REPORT AUTHOR**

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### **APPENDICES**

**Appendix A:** Policy to Discharge Homelessness Duty into the Private Rented Sector

**Appendix B:** Temporary Accommodation Policy

**Appendix C:** Sanctuary Scheme Risk Assessment