

Thursday, 16 March 2023

**Report of the Portfolio Holder for Homelessness Prevention and Social Housing****Homelessness Strategic Update 2023****Exempt Information**

None

**1.0 Purpose**

**1.1** To update and set out achievements to date from the Homelessness Prevention and Rough Sleeping Strategy 2020 – 2025<sup>1</sup>.

**1.2** To update on existing approvals for the Council's SWEP (Severe Weather Emergency Protocol) and winter relief response.

**1.3** To propose a Homeless Hub in line with Council's strategic ambitions.

**1.3** To update the Council's new Temporary accommodation charging policy and framework with effect 1<sup>st</sup> April 2023 and approve the recommended options.

**1.4** Approval to write off historic bed and breakfast arrears in line with the temporary accommodation charging policy as detailed in the report.

**2.0 Recommendations**

It is recommended that Cabinet:

**2.1** Acknowledges the strategic achievements progressing the homelessness prevention and rough sleeping strategy. (Annex 1)

**2.2** Acknowledge and approves the continued support for the winter relief project and Severe Weather Emergency Protocol (SWEP) response as set out in the report to cabinet on 11/11/2021.

**2.3** Approves the development of a Homeless Hub in accordance with the principles set out in the report noting Health and Wellbeing Scrutiny considered on the 29/11/2022 and 24/01/2023;

**and**

Delegate final approval of the Homeless Hub specification for procurement to the portfolio holder for Homelessness Prevention and Social Housing.

**2.4** Approves the updated temporary accommodation charging policy, including, the write off of historic bed and breakfast arrears and the application of recovery of outstanding temporary accommodation debt post 2018 charging in line with the new framework.

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<sup>1</sup> [Housing policies | Tamworth Borough Council](#)

**3.0 Executive Summary**

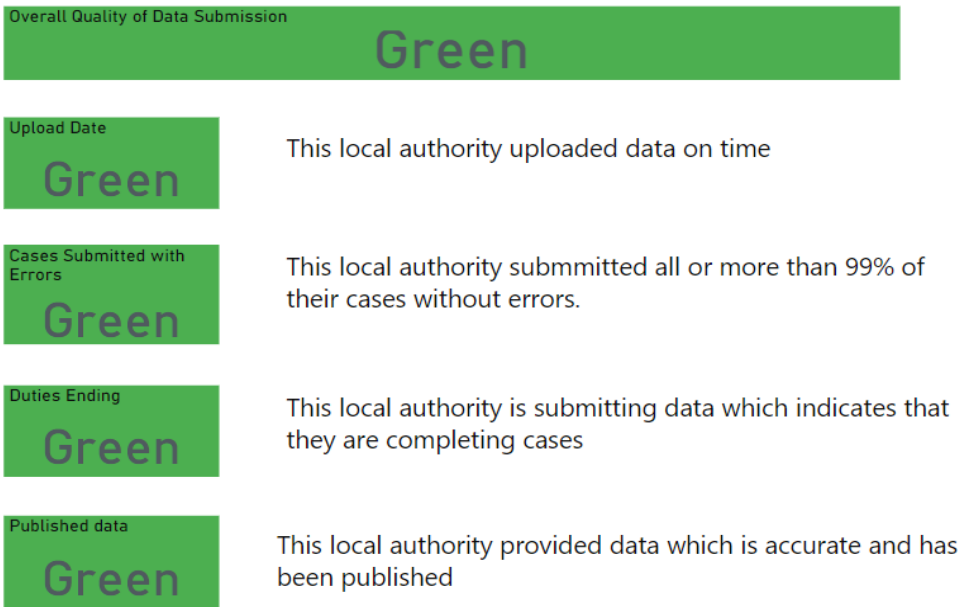
**Homelessness Prevention and Rough Sleeping Strategy update**

3.1 The Government’s national focus remains eradicating rough sleeping and preventing homelessness by 2027. A Homelessness Prevention and Rough Sleeping strategy was made a mandatory document for all Local Authorities to have, as stated in the Homelessness Reduction Act 2017. In September 2022 the Department for Levelling Up Housing and Communities (DLUHC) published its updated “**End Rough Sleeping for Good**”<sup>2</sup> Strategy which remains a manifesto commitment to end rough sleeping in this parliament. This means rough sleeping is prevented wherever possible and where this cannot be prevented, it is rare, brief, and non-recurring experience.

Tamworth continues to monitor best practice and works closely with HAST (Homelessness Advisory Support Team) to implement latest legislative developments. On 31<sup>st</sup> January 2023 the code of guidance was updated for both homelessness and allocations of which officers are currently aligning this with existing policies.

Tamworth launched its current strategy in June 2020. The overarching aims are to reduce homelessness and eradicate rough sleeping. Preventing homelessness is a golden thread supporting residents access to suitable accommodation and the support they need is part of Tamworth’s core strategic purpose. It is further linked to two key corporate priorities, **Infrastructure and living in Tamworth**<sup>3</sup>. Building resilient communities is integral to ensuring our most **vulnerable** members of the community are supported and signposted to sustainable housing solutions.

The Government published its [latest dashboard on homelessness on 28/2/23](#) – and Tamworth can report positively that it continues to comply with required data submissions – shown below.



<sup>2</sup> [Ending Rough Sleeping for Good \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

<sup>3</sup> [CORPORATE PLAN 2022-2025 | Tamworth Borough Council](#)

**Our five priorities are as follows:**

1. Prevention and early intervention through working with partners and stakeholders
2. Develop rapid pathways for rough sleepers.
3. Improve the supply of and access to affordable and supported housing.
4. Offer a high quality and innovative service to homeless households.
5. Improve health and well-being aspirations.

**3.2** This update reflects the top achievements from our five-year delivery plan with more in-depth analysis found in **Annex one** and a RAG rating of the action plan in **Annex two**. **This information was specifically requested by Councillor S Goodall at Health and wellbeing Scrutiny on 24/01/2023.**

Strategic Priorities	Achieved	Continuing to develop
<p>Priority 1 <i>Prevention and early intervention through working with partners and stakeholders</i></p>	<p>Updated the Council’s allocation policy in 2020 to reflect the HRA duties owed to homeless applicants.</p> <p>Revised the allocations policy further in 2021 to reflect Domestic Abuse Act 2021, Social Housing White Paper and further guidance for Veterans.</p> <p>Established links with DWP, Humankind, New Era, MPFT and Better Way Recovery to provide a joined-up approach.</p> <p>Move on pathways developed as good links retained with supported accommodation providers.</p>	<p>Currently finalising 16-17 year old protocol with Children’s Services with cross county pledges.</p> <p>Work with partners such as other registered providers of social housing to implement a pre-action protocol on possession claims by social landlords.</p>
<p>Priority 2 <i>Develop rapid pathways for rough sleepers.</i></p>	<p>Working with partners and stakeholders successfully launched RSI 4 initiative between June 2021- July 2022 and providing ‘housing first’ and support services to those most vulnerable in the community, enabling rehousing and tenancy sustainment to those in need.</p>	<p>Homeless Hub aspirations in the community are to assist those rough sleeping or threatened with homelessness whether singles or families and build on strong community connections already in place.</p>

	<p>Have continued with a dedicated outreach officer in the team.</p> <p>Verified rough sleepers are given band 2 on the housing register and engaged with.</p> <p>Continued work and delivery of the winter relief in collaboration with Heart of Tamworth Community services.</p>	
<p>Priority 3 <i>Improve the supply of and access to affordable and supported housing.</i></p>	<p>Continue to work with RPs such as Optivo on s106 agreements for new affordable housing, based on the needs of the community and continue to have nomination provision in place and put into planning agreements.</p> <p>Housing Strategy in place.</p> <p>Move on protocol in place for supported housing providers.</p>	<p>Develop with private sector housing a landlords' forum and develop tenancy-ready schemes for households willing to consider private rented sector.</p>
<p>Priority 4 <i>Offer a high quality and innovative service to homeless households.</i></p>	<p>ICT development of the Homeless software and access to the Housing register and applications online and digital agenda have been responded to.</p> <p>Training programme for staff for continued professional development in place.</p> <p>Continue to have single figures in B&amp;B due to robust prevention tools as acknowledged by DLUHC.</p>	<p>Continue to develop customer steering group to oversee quality issues</p>
<p>Priority 5 <i>Improve health and well-being aspirations.</i></p>	<p>Developing strong links with MPFT and mental health</p>	<p>Continue to develop opportunities to the Councils out-of-hours homeless service for those vulnerable households often</p>

	<p>Trained staff are mental health first aiders and have had suicide training.</p> <p>Commissioned a mental health worker in the team as part of RSI 4.</p> <p>Collaborative work with HoT registering those most vulnerable with GPs.</p> <p>Robust response to Covid – 19 and protect and vaccinate initiative.</p> <p>Personalised budgets for those former rough sleepers.</p>	<p>requiring reassurance and assistance in times of crisis.</p>
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#### **4.0 Winter Relief / Severe Weather Emergency Protocol update**

**4.1** As in previous years Tamworth has activated its winter relief programme with the Heart of Tamworth Community project (HoT) following existing approvals from Cabinet 11/11/21 to authorise a further 3-year scheme with one of our anchor charitable organisations. This collaborative working aims to reach those most vulnerable within the community.

Services provided by Heart of Tamworth are a dedicated worker for 28 hrs per week providing floating support services such as befriending, delivery of food parcels to those in temporary accommodation (TA) if needed, access to toiletries and hygiene packs, weekly phone calls, supporting clients with benefit claims, service charges, GP registrations, and forms for ID and the Housing Register. They work with the housing solutions outreach officer to assist with reports of rough sleepers. Through their befriending service and working intensively with the client they encourage service users to consider their long-term housing options and possibly end the cycle of rough sleeping through the creation of positive pathways away from the streets.

**4.2** This year due to the cost-of-living crisis it was agreed for the project to run for a further month until 31<sup>st</sup> March 2023 to ensure those most vulnerable get the assistance and support that is needed from this project. The cost to the authority has been minimal for these services and Housing solutions have always used their SWEP (Severe weather emergency protocol) funding that it receives from DLUCH of £6400.00. This year there will be a slight increase to cover costs for the extra month, therefore the total amount paid will be £8533.00 and is met from existing budgets.

## **5.0 Homeless Hub 2023- 2025**

**5.1** The aim of the Homeless Hub is to prevent homelessness by tackling early intervention through advice, signposting, information, and support to those rough sleeping or at risk of homelessness. It supports strategic ambitions that are set out in the Council's Homelessness Prevention and Rough Sleeping Strategy 2020 – 2025.

**5.2** As part of HASTs routine visit in July 2022 they continued to recognise strengths within the service. Officers took the opportunity to set out how it tailored access to services following the Councils introduction to smart working as part of its recovery and reset agenda. **The concepts around tailored access to services for vulnerable clients face-to-face were explored with a range of voluntary and statutory partners and are the basis of the proposed Homeless Hub.**

**5.3** HASTs observations were that this in-person contact would reduce the likelihood of hindering the Council's ability to build rapport, maintain the ability for customers to self-help as well as promote emotional cognisance to recognise acute and complex domestic abuse which are often better identified through in person assessment. The proposed Homeless Hub therefore, not only contributes to supporting the Council's wider vulnerability offer but would also ensure full compliance with the code of guidance.

**5.4** Feedback from HAST reflected the positivity and maturity of Tamworth's statutory and voluntary partnership arrangements. HAST further highlighted Tamworth's clear and robust prevention toolkit which is successful in assisting keeping temporary accommodation numbers low.

**5.5** Similarly in line with national trends HAST also were pleased to see that Tamworth are improving preparedness and resilience to the likelihood of seeing an increase in presentations due to cost-of-living pressures and challenges will be to maintain the effective use of grant funding the service receives.

**5.6** The Homeless Hub will be another opportunity to support vulnerable households. If approved, it is proposed that a partner-led service will be commissioned through the Council's procurement process. The over-riding principles of this will include co-location work for our hybrid officers to work in the community in partnership with stakeholders to maximise the Council's prevention and relief figures.

Further elements of the commissioned service will include:

- Access to advice services and sign posting, referrals to appropriate agencies.
- Support services that promote new ways to prevent homelessness, access accommodation, (Homeless champions) and early intervention.
- Provide weekly outreach/satellite surgeries.
- The provider to collaboratively work with Housing Solutions and a range of public sector bodies such as probation, DWP, drug and alcohol services (New Era)
- To capture data and report on trends and issues that are causing rooflessness and homelessness to assist with informing future prevention strategies, resources, and any missed opportunities.
- Target specific service users and groups within the community with a range of needs from being drug and alcohol dependent to mental health and for those who ordinarily either won't engage with services or easily disengage.
- Family drop-in surgeries and advocacy support to all

- Debt advice and joined up working with Health and support services will be offered to develop skills and increase opportunities.
- A service to show how working with partners in local government and voluntary and community organisations enables comprehensive provisions of services for those most in need.
- The hub may provide that drop- in centre approach offering group activities, food, showers, and other activities that gain enable people to regain accommodation, empower them to engage and tackle the reasons for homelessness.
- To ensure those accessing are already aware of the Council’s prevention toolkits, such as housing solutions fund, rent in advance, deposit schemes, landlord reconciliation, home visits, the Council’s allocations policy (Band 2 for rough sleepers and band 1 for 6 months mediation for parental evictions).
- To increase the Council’s prevention figures via commissioned activity which will coincide with Council’s longer-term R&R plans for its permanent customer services arrangements.
- Duration will be for two years to start April 2023 until the end of the Strategy March 2025. (Funding has been identified for these two years and renewal will be based on delivery and continuing availability of resources).

Further evidence of how the hub supports and links to our strategic priorities can be found in **Annex 3**.

**5.7 The Homeless Hub has been considered on two occasions<sup>4</sup> by Health and Wellbeing Scrutiny [29/11/22](#) and again on the 24/01/2023. The collective feedback has been incorporated into the report and influenced the development of the Homeless Hub proposals.**

## 5.8 Options Considered

Options	Benefits	Risks
1. Do nothing	<p>The Council’s front door offer remains at the assembly rooms.</p> <p>The Council’s remote access for clients is fit for purpose and working.</p> <p>The Council continues its other homeless prevention activities such as TAC sessions at heart of Tamworth one morning a week.</p> <p>No financial implications</p>	<p>DLUHC recommending face to face appointments with vulnerable clients. This is currently being achieved with visits to the B&amp;Bs or Council’s TA but there may be missed opportunities.</p> <p>Not fully assisting those most vulnerable within the community.</p> <p>No benefits for the community of Tamworth or achieving strategic ambitions.</p> <p>Prevention and relief figures will not increase if homeless</p>

<sup>4</sup> Health & Wellbeing Scrutiny 24<sup>th</sup> September and 20<sup>th</sup> October 2020

		forums and a more targeted model is not used.
2. Homeless Hub with HoT community project & St Johns and Sacred Heart	<p>Partners have approached to offer a hub.</p> <p>There are likely to be incentives and value for money opportunities given existing working arrangements i.e room rates and shared staffing costs already in use for SWEP.</p> <p>Staffing and TAC surgeries already provided on an informal basis at these community hubs.</p>	<p><b>This can not be recommended as it would breach the Council's financial regulations around procurement and testing commercial market interests as the Homeless Hub represents a new service offer.</b></p> <p>Existing partners will of course have the opportunity to express an interest in any subsequent commissioning.</p>
<p>3. Homeless Hub offer described and procured.</p> <p><b>Recommended option</b></p>	<p>Interest already established as above with HoT.</p> <p>Procurement would ensure the financial and procurement regulations are adhered to and followed.</p> <p>Building on 'Housing first' principles that are already in place following on from RSI and winter relief projects.</p> <p>Complements the Council's approach to R&amp;R by providing partner-led community outreach.</p> <p>Scope for seamless service delivery and enable some risk transfer in service delivery.</p> <p>Stakeholder interest and buy in for more services aimed at those most vulnerable in the community.</p> <p>Improves access to skills and resources that the partner has.</p>	<p>Time and costs involved in the procurement and award of contract plus contract management.</p> <p>Reputational risk as service is outsourced, customer expectations and lack of expertise and knowledge may affect legislative decisions officers are making on homeless cases, plus public scrutiny.</p> <p>Potential concerns over loss of direct control of the hub being with one provider. To mitigate this the contract would be 1+1 years.</p> <p>Any additional costs that may incur</p>



Performance will be monitored and managed by HS manager.	
Council influence can be preserved through controls via the contract in place.	
The competitive nature of procurement should ensure the most economic price.	
Based on current models of the winter relief, the Council has evidence of what it would like.	

## **6.0 Bed and Breakfast Write-Offs**

**6.1** The development of the Homeless Hub creates an opportunity to reflect and review the wider policy framework around the provision, management, and impact of our homelessness and temporary accommodation charging policy and procedures. Effective and equitable implementation of a revised policy requires systematic review of the previous policy, and any legacy arrears.

**External support has been commissioned to focus on the Council’s temporary accommodation proposals before Cabinet. In addition, due diligence has also been undertaken by the Council’s legal advisors to ensure that the options recommended comply with legislative and regulatory best practice.**

**6.2** Bed and Breakfast charges have existed in some form since 1991 and as a result have generated a complicated inheritance of historical arrears, almost all of which is now unrecoverable based on a combination of statute barred debt, uneconomical recovery, and known errors or bugs in the ICT system Orchard.

**6.3** Though actual figures vary daily, there were, as of November 2022 (the report date used for analysis) a total of £327,724.15 in account arrears on the Orchard Housing Management System associated with ‘stays’ in Bed and Breakfast emergency accommodation since 1991.

**6.4** Significant investment has been made in the organisation, investigation, and consolidation of all outstanding arrears, a report on which is provided at Annex 4. The report provides analysis and recommendations for the prudent, equitable, and legal management of historical arrears culminating in recommendation 4 of this report.

**6.5** While **Annex 4** provides background and justification for the recommended option to write-off of all Bed and Breakfast arrears to date, this report is mindful to present legally viable options for Cabinet’s considerations. **Additionally, this Annex 4 is available via the Portfolio Holder and is not included as it is a confidential document and therefore not uploaded:**

Option	Benefits	Risks
<p><b>Option 1: Recommended Option</b></p> <p><b>Write-off all Bed and Breakfast arrears from 1991 to 2022/23.</b></p> <p>Total arrears are approximately £330,000 and are made up of a combination of statute barred, potentially challengeable, and uneconomical debt. However, there remains potential for a small percentage of this debt to be recoverable and options for this are outlined under Option 2.</p> <p>83% of the total arrears, £270,000 is statute barred debt, meaning the Council no longer has legal recourse to recover these monies.</p> <p>The remaining £60,000 is also considered unrecoverable, though as a result of technical error, and potentially challengeable debt. Also, this amount is uneconomical to collect given the resourcing issues.</p> <p>The post 2017/18 debt of £60,000 results from a technical error, being corrected in 2017/2018 that related to the B&amp;B charge of £98.08 frozen from 2011 and not previous LHA rates. However, recovery of this debt is challengeable, as this has not been actively pursued and benefits are not able to retrospectively credit accounts which would mean inequitable hardship on clients. It is therefore recommended to approve</p>	<p>The development of the Homeless Hub represents an opportunity to move forward with homeless prevention towards a progressive, supportive approach to our most vulnerable residents. Writing-off this historical, uneconomical and / or potentially challengeable debt supports the holistic individualised approach being proposed for the Homeless Hub.</p> <p>The new Temporary Accommodation Charging and Recovery Policy is streamlined, places emphasis on individual recovery, mental health support, and financial independence without the additional burden of charges being imposed while homeless. The new policy proposes to eliminate “Service Charges” for temporary accommodation from 2023/24.</p> <p>Analysis of historical arrears highlights several potential legal challenges to recovery of these arrears. While there is <u>no evidence</u> of charges being raised illegally, there remains a legal requirement to evidence billing and recovery procedures from initial charge and throughout the recovery process. Technical error, consolidation of accounts and missing data from previous systems combine to make it difficult, if not impossible, to evidence these processes now.</p>	<p>There is a risk that writing-off debt in this manner sets a precedent for debt recovery. This risk has been considered, and there are mitigations in place internally as well as through regulation to prevent this risk being realised:</p> <ul style="list-style-type: none"> <li>- The billing and recovery of other resident or individual-acquired debt falls within its own legislative framework, including routine write-off of unrecoverable debt. In the main, this includes collection and recovery of Council Tax and Non-domestic Rates. There is little-to-no risk of Temporary Accommodation write-offs affecting this area of revenue management.</li> <li>- The Council’s constitution provides that all write-offs above £10,000 are approved through Cabinet governance, meaning there are appropriate prudential measures in place already to prevent future high-value write-offs becoming more frequent as a result of this one-off approval.</li> </ul> <p>In practice, there are greater risks in not writing-off these historical arrears, including:</p> <ul style="list-style-type: none"> <li>- Potential legal challenges as the Council is unable to provide evidence of clear billing and recovery processes as a result of system and technical errors.</li> </ul>

Option	Benefits	Risks
<p>write-off of all temporary accommodation debt to clear the path for a new charging and recovery policy, and new framework for the management of temporary accommodation support and account management.</p> <p><b>Recommended Option</b></p>		<ul style="list-style-type: none"> <li>- There is a financial risk to pursuing micro-debt as it is uneconomical to recover and does not represent prudent use of our housing solutions resources</li> <li>- There is a risk of exacerbating existing vulnerabilities. Residents placed in emergency accommodation are by default vulnerable, and commonly represent complex multi-faceted vulnerabilities including domestic abuse, mental ill-health, substance misuse, and financial mismanagement / debt in other areas. Previous policy drives towards charges creating an opportunity to demonstrate financial discipline and motivation in individuals is discredited by contemporary social policy analysis, with evidence to demonstrate enforced financial responsibility for vulnerable people is counter-intuitive.</li> </ul>
<p><b>Option 2: Write off all statute barred debt, and remain committed to the recovery of non-statute barred debt</b>, which will involve an increase, or reallocation of staffing resources to the investigation and case management of micro-debt on a case-by-case basis. This report outlines this activity will require 1FTE officer dedicated to this activity at a cost to the Council of around £30k per</p>	<p>The Council's historical arrears for temporary accommodation have been data cleansed at a high level and the remaining non-statute barred debt is now organised into a known dataset of 374 accounts, making the overall workload lower, and as a minimum ring-fenced to a caseload of most recent, and therefore more recoverable debt.</p> <p>Dedicating resource to case management of the</p>	<p>As with Option 1, there is a risk of exacerbating existing vulnerabilities in pursuing the remaining non-statute barred debt balance.</p> <p>Acknowledging the additional administration required to legally enforce the remaining non-statute barred debt, eliminates (or as a minimum reduces greatly) the risk of legal challenge to debt recovery activity going forward. Each account pursued will be</p>

Option	Benefits	Risks
<p>annum, not including on-costs. This could be limited to a data cleansing exercise of 1FTE resource for six months, but would still incur a cost furthering the argument the debt is uneconomical to recover.</p> <p>As with Option 1, this option writes-off the £270,000 of statute barred debt.</p> <p>Within this option, Cabinet are advised to acknowledge while some debt is likely to be recovered, when individual cases are investigated they will need to meet recovery criteria of:</p> <ul style="list-style-type: none"> <li>a. within a statutory recovery period i.e. debt created, acknowledged, billed, and managed actively within the last six years.</li> <li>b. debt or account levels with clear evidence of charges, and accurate and legal billing processes having been followed</li> <li>c. the debt is at a level at which it is economical to recover.</li> <li>d. the debtor is traceable, has some recourse to service the debt, and does not fall within definitions of vulnerability outlined in our policy framework including our vulnerability strategy.</li> </ul> <p><b>This option is not recommended to Cabinet,</b> based on ever-decreasing levels of recoverable debt making this option uneconomical. The new policy charging and recovery procedures acknowledge historical</p>	<p>remaining 374 accounts, will provide robust assurances that any debt pursued going forward is legal, economical to recover, and is genuine debt owed to the Council, eliminating the risks of pursuing unrecoverable debt.</p>	<p>done so with assurances and evidential requirements in place, providing a solid footing for debt recovery.</p> <p>The main risk with Option 2, is the financial risk of investing more resource into debt recovery than will be recovered as a result, making the recovery of this caseload uneconomical. Analysis of the temporary accommodation arrears caseload involved a series of filtering and percentage checks; the team analysing this issue were able to categorise the caseload and provide assurances that their analysis has been robust, accurate, and proportionate. In summary, should this exercise find accounts fitting debt recovery criteria, this is highly likely to be at levels deemed uneconomical to recover.</p>

Option	Benefits	Risks
technical errors and commits resource to ensuring these errors are a. prevented, b. if unpreventable, identified and resolved quickly.		

## **7.0 Temporary Accommodation charging policy and framework**

**7.1** To accompany the recommendation to write-off historic Bed and Breakfast arrears, this report presents an updated Temporary Accommodation Charging and Recovery policy at **Annex 5**.

7.1.1 A Full community impact assessment has been completed and is shown in Annex 6. **The charges to customers for temporary accommodation are capped at housing benefit levels.** In the case of B&B the charge to the client will be £98.08 per week with the remaining cost being met from general fund/HPG budgets and for self-contained units, it will be kept at the usual social/affordable housing rent levels.

**As the charges for emergency (B&B) accommodation are capped in line with the above levels this does not cover the full cost, which can be on average £500.00 per week. Therefore, Cabinet is asked to approve based on continued subsidy. If the true cost of the service was levied this would be inequitable a) regulations set a cap for benefit purposes and b) recovery would be limited and collection costs therefore disproportionate.**

**7.2** The aim of the new charging and recovery policy is to provide a supporting framework for **vulnerable tenants** who have been housed in emergency accommodation, and to prevent the future accumulation of arrears.

**7.3** The 2023 Temporary Accommodation Charging and Recovery Policy provides a flexible framework for the reasonable management of arrears, placing emphasis of responsibility on the tenant to make relevant claims to benefits, and on the housing solutions team to provide a supportive and holistic service, supporting the aims of the Homeless Hub.

**7.4** The policy also clarifies the terminology between a service charge fee with an administration fee for the provision of emergency accommodation. This option presents a streamlined administration process, recognises exacerbated vulnerabilities, and has the potential to prevent any significant B&B arrears accruing in the future. The option to include a charge is presented as potentially cost neutral to service users who have recourse to funds such as benefit and Discretionary Housing Payments.

**7.5** Simply, the charges are categorised as follows (see Annex 5 for full details).

- Emergency accommodation (Nightly room rate) can be expensive, and it is not reasonable to pass these charges in full to Licensee in emergency accommodation. **Therefore, the Council has applied a weekly charge of [£98.08](#) for all emergency (nightly paid) accommodation which the Council will adjust in line with any Government/benefit amendments.**

This weekly figure aligns with the maximum Housing Benefit subsidy the Council is able to claim and that the Housing Benefit team will pay towards the charges for emergency accommodation. This figure is set by Government in the management of Housing Benefit subsidy, and **should this figure change, this policy will be automatically updated in line with Government charging updates, as this is likely to be routine.**

- For Self-Contained Units, as these are in council stock the charge to the client is the social housing rental weekly charge and they are given a non-secure license agreement whilst in these properties.
- Service Charges are recoverable as per the policy, but as these are [ineligible for housing benefit](#) and as Tamworth does not provide the typical services listed i.e Laundry and hot food, **is not levying them.** However, the new policy has confirmed that it will levy an administration charge under the [Councils discretionary housing benefit arrangements](#). Local Authorities can interpret support for 'housing costs' where a claimant is unable to meet their own costs. Housing costs are not defined in the Discretionary Financial Assistance (DFA) Regulations 2001 and purposefully allows for broad interpretation. Usually covering things associated with a new tenancy, such as emergency B&B support and pursuing settled accommodation.

## 8.0 Resource Implications

8.1 The table below shows that the Homeless service costs just over £1m. Income supporting this service, shown over-leaf, confirms this expenditure is offset by just over £500K which comprises a range of government grant, efficiency savings & contributions from reserves and income. The table showing reserves of just over £600K illustrates that although the Government have only been awarded a two-year settlement (2023/2025) there is opportunity for the Council to draw on this as required.

Based on predicted outturn for 2022/23		
<b>HOMELESSNESS AND HOMELESSNESS STRATEGY EXPENDITURE</b>		
SALARIES - <i>budget partially established from HPG</i>		£ 244,430.00
HOMEWORKING ALLOWANCE		£ 1,150.00
PAYMENTS FOR TEMPORARY STAFF - <i>budget established from HPG</i>		£ 65,000.00
CAR ALLOWANCES		£ 6,950.00
EQUIPMENT FURNITURE & MATERIAL		£ 1,100.00
MOBILE PHONES		£ 477.01
RESTART- ROUGH SLEEPERS - <i>budget established from HPG</i>		£ 9,970.00
STAFF TRAINING - <i>budget established from HPG</i>		£ 100.00
HOMELESSNESS TRAINING - <i>budget established from HPG</i>		£ 2,422.47
PUBLIC LIABILITY INSURANCE		£ 2,050.00
MFT LICENCE/MTCE/IIMP		£ 11,970.00
PROVISION FOR BAD DEBTS		£ 19,800.00
BED AND BREAKFAST COST		£ 98,000.00
HOMELESSNESS PREVENTION - <i>budget established from HPG</i>		£ 67,000.00
SEVERE WEATHER EMERGENCY PROTO - <i>budget established from HPG</i>		£ 15,380.00
COST OF HOMELESS HOSTELS		£ 86,510.00
SOLUTIONS FUND - <i>budget established from HPG</i>		£ 35,000.00
CONTRACT PAYMENTS		£ 80.00
RECHARGES		£ 356,860.00
		<b>£ 1,024,249.48</b>

For 2023/24 and 2024/25 the Government confirmed a two-year settlement of £260,704 and £268,215 for Homelessness Prevention Grant funding which has been built into the Council's budget setting process<sup>5</sup>.

Based on predicted outturn for 2022/23		
<b>HOMELESSNESS AND HOMELESSNESS STRATEGY INCOME</b>		
	GOVERNMENT GRANTS (HPG & WINTER PRESSURE)	-£ 291,326.00
	CONTRIBUTION FROM RESERVES	-£ 111,010.00
	SAVINGS-SERVICE REVIEW	-£ 30,000.00
	BED & BREAKFAST INCOME	-£ 37,000.00
	INCOME FROM HOMELESS HOSTELS	-£ 86,510.00
		<b>-£ 555,846.00</b>

<b>HELD IN RESERVES AND RETAINED FUNDS:</b>		
	FLEXI HOMELESS SUPPORT GRANT	-£ 336,735.00
	ROUGH SLEEPING INITIATIVE PROJECT	-£ 11,400.00
	FINANCIAL AND DEBT ADVICE	-£ 72,850.00
	B&B WRITE OFFS	-£ 207,080.00
		<b>-£ 628,065.00</b>

There are multiple commitments for some of the reserves, i.e. 2 posts for 2 years fixed term salaries, contribution to CAB contract for Financial and Debt Advice, etc. The requirement for the reserves will be reviewed as part of the year end process - however the reserve for B&B write offs of £207,080 will not be required going forward and can be returned to balances.

8.2 The financial impact of the proposed recommendations are summarised below:

Area	In 2023/24	Detail
Homelessness Strategy	c£126K	<ul style="list-style-type: none"> <li>Funding available from HPG to achieve ambitions in the Strategy (already committed to Homelessness Prevention, Solution Funds, Etc.)</li> <li>£260,704 (HPG) less £60,000 (Hub) less £74,840 (B&amp;B cost to HPG)</li> </ul>
Homelessness Hub	c£60,000	<ul style="list-style-type: none"> <li>To be met from HPG / reserves.</li> </ul>
Temporary accommodation write-off 1991 – 2023	c£330,000	<ul style="list-style-type: none"> <li>This cost fluctuates daily because it is not a static debt; and the final report as at 31<sup>st</sup> March 2023, if approved by Cabinet will reflect the exact amount.</li> <li><b>As this write-off was anticipated it is already provided for in the council's bad</b></li> </ul>

<sup>5</sup>

\*Based on predicted outturn for 2022/23 – reflects actual position as at 31<sup>st</sup> March 2023, rather than budgeted. \*

		<b>debt provision and does not have to be met from budget set out at 8.1.</b>
Temporary Accommodation charging policy 2023 – onwards	c£74,840	<ul style="list-style-type: none"> <li>From table below you will see the Council has significantly reduced its spend on bed and breakfast.</li> <li>Whilst the Council enjoys this position it is able to fund this service, where clients qualify for housing benefit via a combination of HB relief on £98.08 p/w and by sourcing DHP on the admin charge with the remainder been met from HPG allocation.</li> <li>Assuming annual B&amp;B charges remain at an estimated £98K p/a. It is assumed c£75K would be met from HPG with the remaining £23K coming from HB/DHP.</li> <li>Where clients are not eligible for benefits (less than 10 over the last two years) then these will be required to pay.</li> </ul>

**Historic Bed and breakfast costs – see below.**

Year	Actual Total B&B Cost	Total B&B Income (rent charges, adjustments, and including HB shown in column 4)	Housing Benefit payments	General Fund Cost	HPG Cost
2016-17	£389,864.86	-£386,779.81	-£281,898.54	£3,085.05	n/a
2017-18	186,615.75	-£184,522.27	-£131,654.24	£2,123.48	n/a
2018-19	£75,312.86	-£37,043.36	-£21,592.75	£38,269.50	n/a
2019-20	£82,806.22	-£29,115.83	-£15,957.21	£53,690.39	n/a
2020-21	£93,817.85	-£33,037.31	-£16,242.50	£60,780.54	n/a
2021-22	£104,585.89	-£35,200.85	-£19,900.57	£69,385.04	n/a
Est 2022-23	£98,000.00	-£37,000.00	-£10,200.00	0	£61,000

**Going forward – estimated bed and breakfast costs and funding arrangements.**

Year	-Estimated cost	Total HB claim @ £98.08 rate	Total DHP assumed @ £20.10	General Fund	HPG Journal year end for offset difference
2023/24	£98,000	£19,220.00 (based on £500 per week)	£3,940.00	£0	£74,840.00
2024/25	£98,000	£19,220.00	£3,940.00	£0	£74,840.00



**8.3 Cabinet should be aware that the estimated annual B&B costs remain uncertain due to external factors beyond the council’s control and therefore, will be subject to an annual review as part of the council’s budget setting process. Should emergency accommodation requirements increase then clearly those costs need to remain dynamic.**

**Equally, HPG allocations continue to be based on performance and are subject to Government review. Should the settlement change then the council may not be able to use HPG to subsidise costs. Equally should Housing benefit regulations change and there be in-sufficient Discretionary Housing Payment (DHP) to funds the administrative charges then this would also have a negative impact and would have to be reassess.**

**9.0 Legal/Risk Implications**

9.1 As the report represents a range of proposals the risks have been summarised below:

**Strategic Risks**

<b>Risk Area</b>	<b>Impact</b>	<b>Mitigation</b>
Strategy Updates	Further key actions are not delivered.	SMART delivery plan is reviewed, and Key performance indicators will be updated on corporate systems and also in line with HCLIC requests from DLUHC.
Winter Relief (SWEP)	Significant increase in citizen expectations to deal with rising homelessness	Comprehensive partnership working with the third and voluntary sector to support the project.
Homeless Hub	Reputational risk of citizen and stakeholder expectations not been met.	Will be subject to financial and procurement regulations and process

**Temporary Accommodation Risks**

<b>Risk</b>	<b>Impact</b>	<b>Mitigation</b>
The council does not write-off Bed and Breakfast arrears and continues to pursue recovery of all accounts in arrears that are not statute barred.	The council risks challenge to recovery of arrears as internal review has found system errors or bugs, lack of evidence of a sundry debt process being followed and the majority of arrears accounts being considered uneconomical to recover.	This report recommends writing off all Bed and Breakfast arrears and starting the new policy process in April 2023 with a clean caseload following an updated and evidence-based process.

The council does not adopt a new Temporary Accommodation Charging and Recovery Policy. The council can continue to operate using the 2018 policy and this does not affect the housing of people in line with our statutory obligations, or the tenant's rights to accommodation or benefits.	Operating under the existing 2018 policy does not make provision for an evidence-based recovery process, and does not provide clarity to tenants over charges levied and the options available to them for payment. The current policy includes a service charge not eligible for payment by Housing Benefits, but the new policy addresses this gap in provision and provides clarity on rent, charges, and payment options.	The council's strategic aims and plans for the Homeless Hub provide the ideal opportunity for a new Charging and Recovery policy and practice and this is recommended.
Bed and Breakfast usage increases	External factors impact resulting in a return to historic levels, this will impact on funding.	Recognition of this is understood and will be built into the annual budget setting process with associated policy changes as required.
HPG funding	The Governments allocation changes adversely impacting on Tamworth.	This is beyond the council's control and should this happen will require a budget review.

## 10.0 Equalities Implications

10.1 An equality impact assessment has been completed and is shown at Annex 6. Full regard has been given across all protected characteristics and affordability levels have been closely aligned to housing benefit regulations.

## 11.0 Environment and Sustainability Implications (including climate change)

11.1 The detail in the report does not place any additional burden on the council's environmental and sustainability objectives.

## 12.0 Report Author

Tina Mustafa – Assistant Director Neighbourhoods

Sarah Finnegan – Head of Homelessness and Housing Solutions

## List of Background Papers

## Appendices

Document Annex	Purpose
1. Achievements to date from strategy	Full version of individual successes against key priorities.
2. SMART Plan with RAG rating	Examples of performance and monitoring.

3. Homeless Hub links to strategy	How the key principles are entwined with our strategy
4. Report on historic Bed and Breakfast arrears (copies <b>available for internal inspection only</b> , via the Portfolio holder for Homelessness Prevention and Social Housing and S151 officer, as this contains confidential information)	Explanation of arrears accumulation, examination of the debt caseload, and exploration of the options available to the council for the lawful recovery of arrears.
5. Proposed Temporary Accommodation Charging and Recovery Policy 2023	Confirmation of the council's policy intentions going forward for the management of charges and payments for emergency accommodation.
6. Equality Impact Assessment	To map the impact on service users.

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