

ADULTS AND COMMUNITIES SCRUTINY COMMITTEE	AGENDA ITEM No. 8
14 NOVEMBER 2017	PUBLIC REPORT

Report of:	Service Director for Communities and Safety	
Cabinet Member(s) responsible:	Councillor Peter Hiller, Cabinet Member for Growth, Planning, Housing and Economic Development	
Contact Officer(s):	Sean Evans, Housing Needs Manager	Tel. 01733 864083

HOMELESSNESS PREVENTION INTERIM UPDATE

RECOMMENDATIONS	
FROM: Service Director for Communities and Safety	Deadline date: N/A
It is recommended that Adults and Communities Scrutiny Committee consider the update on homelessness prevention that has taken place since September 2017 and provide scrutiny and comment.	

1. ORIGIN OF REPORT

- 1.1 This report is submitted following a request at the last meeting of the Adults and Communities Scrutiny on 12 September to provide an interim update on homelessness prevention.

2. PURPOSE AND REASON FOR REPORT

- 2.1 The report is presented at the request of the Adults and Communities Scrutiny Committee to receive an update on homelessness prevention.
- 2.2 This report is for the Adults and Communities Scrutiny Committee to consider under its Terms of Reference No.2.1, Functions determined by Council: 3. Housing need (including homelessness, housing options and selective licensing);
- 2.3 This report links to the following corporate priorities
- Keeping our communities safe, cohesive and healthy
 - Safeguarding children and vulnerable adults

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	n/a
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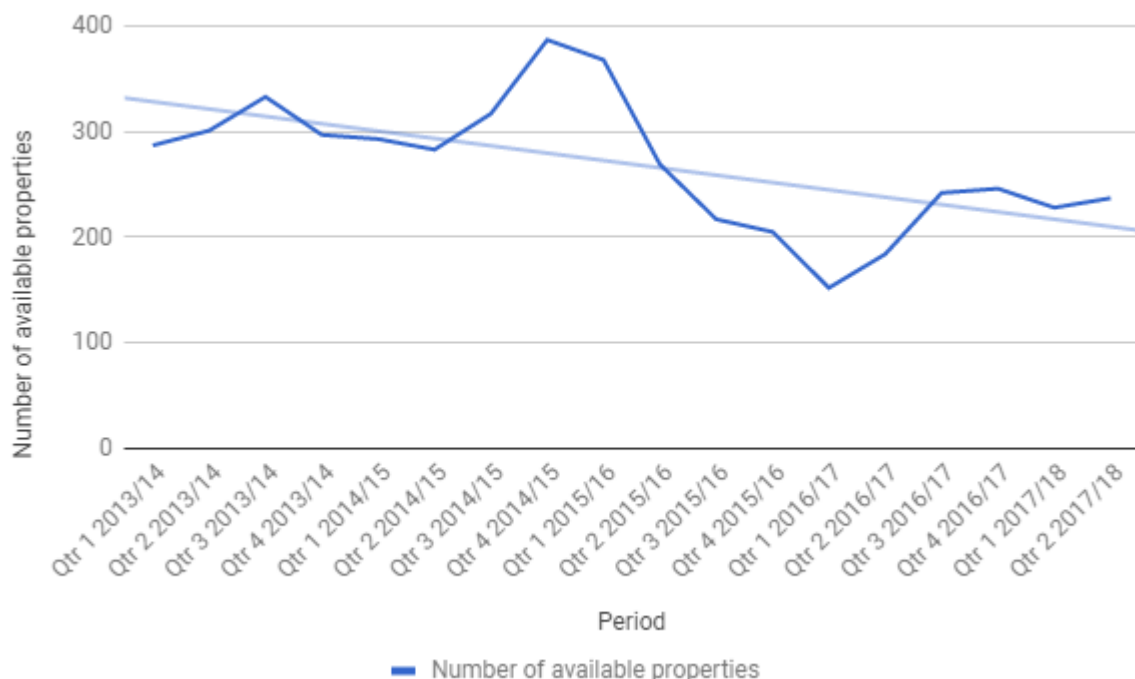
4. BACKGROUND AND KEY ISSUES

- 4.1 At its meeting on 12th September, the Committee considered a [report](#) on homelessness prevention. The report outlined the growing demand for housing services following a 43% increase in homelessness presentations to the Council in the previous year. The Committee agreed to establish a cross party working group to look at the issues, report its findings, and develop a new Homelessness Prevention Strategy. The group has now met twice and will report to the Committee in early 2018.

- 4.2 Depending on an individual's circumstances, the Council may have a duty to provide temporary accommodation until permanent accommodation can be allocated. Traditionally, the Council used hostel accommodation for homeless households while investigations were ongoing and until suitable permanent accommodation could be secured. Where hostel accommodation was fully occupied B&B type accommodation would be used as a short term emergency placement until a hostel vacancy could be secured. B&B type accommodation is only meant as a short term option, but as the numbers of households presenting to the Council has been increasing, use of this type of accommodation has increased as no alternative accommodation options were available.
- 4.3 In recognition of the increases in demand, the Council has taken steps to reduce the use of B&B type accommodation by securing use of alternative self-contained temporary accommodation options at St Michael's Gate (leased accommodation from a private accommodation provider) and bringing Elizabeth Court back into use in partnership with Cross Keys Homes. Along with the Hostel accommodation owned and managed by Cross Keys Homes, when fully available, this increases the contracted provision to 216 units of available temporary accommodation

Availability of Social Housing

- 4.4 Generally, those households to whom the Council accepts a full housing duty will be allocated accommodation with a social landlord. The council has arrangements with 10 housing associations in the city to allocate its vacant properties through the Peterborough Homes Choice Based Lettings scheme. The Common Allocations Policy was developed to ensure that households who are accepted as homeless and therefore owed a full housing duty are given high priority in order to assist them with a prompt move into suitable permanent accommodation.
- 4.5 In addition to the Housing Register the Localism Act 2011 gave local authorities the power to discharge the full housing duty by securing suitable accommodation in the private sector. Previously the combination of these 2 options has been more than sufficient in meeting both the demand from households who have presented to the council as homeless and those living in unsuitable housing allocated through the Housing Register.
- 4.6 Unfortunately while the demand from households requiring assistance has been increasing the availability of permanent accommodation options has been decreasing. The graph below shows the number of properties which have been made available for allocation from our partner housing associations through the choice based lettings scheme:



- 4.7 There are a number of other changes within the housing landscape which are likely to present challenges to the Council in meeting housing demand. These include:
- the Homelessness Reduction Act
 - Universal Credit

4.8 **HOMELESSNESS REDUCTION ACT**

- 4.8.1 The Homelessness Reduction Bill received Royal Assent and therefore became an Act of Parliament on the 27 April 2017. The new Act places more emphasis on prevention activities by placing new legal duties on local authorities to provide meaningful support to everyone who is homeless or at risk of homelessness, regardless of whether they are in priority need or 'intentionally homeless', as long as they are eligible.

Details of the Homelessness Reduction Act 2017

4.8.2 **Threatened With Homelessness**

Current legislation (Housing Act 1996 as amended by Homelessness Act 2002) defines that a person is considered to be threatened with homelessness if it is likely that they will become homeless within 28 days.

The Homelessness Reduction Act 2017 doubles the number of days from 28 to 56, including those who have been served with a valid Section 21 notice (the legal notice that must be served by a landlord notifying the tenant that possession of the private sector property is required).

Anyone accepted by the Council as being threatened with homelessness will be owed the new prevention duty and we must take 'reasonable steps' to help them avoid becoming homeless. This could include placing them into temporary accommodation.

4.8.3 **Providing Advisory Services**

The Housing Act 1996 stipulates that local authorities must ensure advice and information about homelessness and preventing homelessness is available free of charge to everyone in their district. The new Act will require a more robust approach to advisory services with the need to provide information and advice on:

- Preventing homelessness
- Securing accommodation if homeless
- The rights of people who are homeless or threatened with homelessness, and
- Any other support (provided by the local authority or any other local organisations) that is available for people who are homeless or likely to become homeless as well as how to access that help.

- 4.8.4 Local authorities will also need to ensure that advisory services can be tailored to meet the needs of particular groups who are at increased risk of becoming homeless (e.g. care leavers, prison leavers, those in or leaving the armed forces, domestic abuse victims, hospital leavers and those suffering with a mental health issue).

4.8.5 **Duty to Assess and Agree a Plan**

The Act stipulates that the support offered to eligible applicants needs to be more robust than currently required. Once a local authority is satisfied that someone is homeless or threatened with homelessness and eligible for assistance, an assessment should be carried out which includes:

- The circumstances that have caused homelessness / potential homelessness
- The housing and other support needs of the applicant and their household
- A personalised plan, setting out steps for the applicant and the Council to take to ensure accommodation is secured and/or retained. An applicant's assessment and plan must be kept under review and updated as necessary, until the local authority has determined that no further duty is owed.

4.8.6 **Duty to Relieve Homelessness**

Under the Act, the council will have a duty to help all eligible homeless applicants to secure accommodation for a period of at least 6 months, regardless of whether they are 'intentionally homeless' or in priority need. Those in priority need will be provided with interim accommodation whilst steps are taking place to secure future accommodation.

4.8.7 **Failure to Co-operate**

This new provision within the Act will place a requirement on all applicants to co-operate with the Council's attempts to prevent or relieve their homelessness. If the Council considers that an applicant has deliberately or unreasonably refused to co-operate or take steps agreed as part of their assessment plan, a notice can be served to the individual informing them of the Council's decision, the consequences of it (e.g. ending of prevention / relief duty) and their right to request a review. This notice can only be served if a warning has been given to the applicant beforehand and a reasonable time period has elapsed since the warning was given.

4.8.8 **Right to Review**

The Act gives applicants the right to request a review of any decision made by the local authority (in addition to those laid down in current legislation) regarding:

- Steps set out in assessment plans
- Giving notice to withdraw prevention or relief duties
- Suitability of accommodation offered

4.8.9 **Public Authority Duty to Refer**

Under the Homelessness Reduction Act 2017, "specified public authorities" (e.g. NHS services) will be required to refer details of people who they consider being homeless or threatened with homelessness to their local authority (if the person agrees to the notification being made). The council will then need to make contact with this individual for assessment.

4.8.10 **Impact to the Council**

There is a probability that the current homelessness advice and prevention caseloads will increase. The DCLG estimates that demand may increase by approximately 26% but it has the potential to be greater. There is likely to be increased demand for temporary accommodation as well as a potential increase in the time spent in temporary accommodation due to extended duties.

The government has announced a national £60m New Burdens Fund of which Peterborough will receive £366,443 between 2017 and 2020 to help manage these new services.

4.9 **UNIVERSAL CREDIT FULL SERVICE (UC)**

4.9.1 In November 2017, Universal Credit Full Service will be rolled out in Peterborough to include all new benefit claimants and those currently in receipt of benefits who have a change in circumstances (such as birth of a child, family separation, move from being sick to employment or vice versa). This will affect all claimants, including families, for the first time.

4.6.2 There are a number of changes which will affect claimants and could cause some challenges, at least in the short term. Whilst some aspects of UC are undoubtedly positive, particularly around making it easier for claimants to take on additional employment and simplifying a complex benefits system, there are nevertheless a number of issues and risks. The key points of UC are:

- Integration of six core benefits (including housing benefit) and tax credits into a single, monthly payment. This will apply to claimants both in and out of work
- Claimants will not receive any payment for a minimum of 42 days from the point of claim - although a limited advanced payment loan can be applied for
- A shift away from a mix of weekly, fortnightly, four-weekly and monthly payments to a standard monthly payment. Claimants will need to have budgeting skills to ensure that their money can last for a longer period and that debts and bills are prioritised

- All Universal Credit applications must be applied for and subsequently managed online. For claimants with limited digital skills and access, this will present a challenge
- Claimants enter into a Claimant Commitment with the Job Centre to demonstrate what they are doing to either enter work or increase their hours. Failure to comply with the commitment will see claimants sanctioned and benefits reduced or suspended
- One of the objectives of Universal Credit is that claimants are responsible for their finances and rent. In most cases, housing benefit payments will now be made to the claimant, rather than the landlord. Many claimants will be unfamiliar with and unaware of their rent obligations and will need to ensure that their rent is paid from their Universal Credit payment. In addition, claimants will need to have an up to date tenancy agreement in order to claim housing benefit
- Introduction of a single recipient model where the award is paid into one bank account. For couples and families, this will see one person in control of all Universal Credit payments

4.9.3 Experience from other areas which have already gone live with Universal Credit Full Service is that debt and rent arrears will increase, at least in the short term (although many clients will already be facing some form of debt and arrears). This can lead to increased evictions and further pressures on temporary accommodation and/or homelessness.

4.10 **PROPOSED ACTIONS**

Given the significant challenges outlined above, the council are exploring a number of potential solutions. This report presents an interim update on these developments, with further details to be presented to Adults and Communities Scrutiny Committee at its January 2018 meeting.

4.11 **Homelessness Prevention & Homelessness Trailblazer**

The Council continues to be proactive in the prevention of homelessness where the opportunity arises and officers in the housing needs team adopt a problem solving approach when presented with households at risk of homelessness. The primary aim of all preventative work is to support households to remain in their current accommodation or to find alternative accommodation prior to them having to leave the address they had been residing at. Work is underway to ensure there is a renewed and resourced focus on prevention as part of the core business of the Housing Needs team.

Recently the Council in partnership with the other Cambridgeshire housing authorities were successful in a bid for trailblazer funding to the DCLG who were providing £20 million of grant funding nationally across 2016/17, 2017/18 and 2018/19. Local authorities were invited to bid either singularly or in collaboration in order to provide the resources to ramp up prevention activities and take new approaches to reduce homelessness.

4.12 **Prevention Toolkit**

With affordability in the private sector becoming more of an issue when trying to prevent households from becoming homeless there is a need to improve the tools that officers have available to them to support their attempts to prevent homelessness.

This being the case officers have to focus more on keeping people in their current homes. The following prevention tools could potentially be used to help support people at risk of homelessness, and these ideas will be developed into detailed business cases over the coming weeks.

4.12.1 **Amended Discretionary Housing Payments (DHP) Policy.**

Currently the DHP policy is limited in the support it can offer to households to meet the financial shortfall between an applicant's benefit entitlement and their full rent. The DHP fund also allows the Council to pay a landlord in order to secure an alternative property for a household in order to prevent homelessness. This is increasingly more difficult as some landlords are no longer willing to accept applicants who will be receiving benefits.

Officers will review the DHP policy to allow the Council to make a payment to the current landlord in order to clear an amount of rent arrears in order to prevent the landlord from having to seek possession of his property. Applicants would still have to be a current Housing Benefit or Universal Credit claimant in order to be eligible.

4.12.2 ***Use of the Homelessness Prevention Fund***

The DHP fund is only accessible to applicants who are currently in receipt of Housing Benefits or Universal Credit. There is also a need for working households not in receipt of housing benefit to receive support where required.

Officers will therefore review ways in which the Homelessness Prevention Fund could be used for supporting households where the DHP policy does not allow.

4.12.3 ***Mortgage Rescue Fund***

The Government's Mortgage Rescue Fund was brought to a close 3 years ago. Peterborough was very successful in supporting households who were at risk of losing their homes as they were at risk of possession action from their landlords. The Mortgage Rescue Scheme had 2 benefits in that not only did it allow the householder to remain in their home and not become homeless, the property was also then brought into the ownership of the social sector.

Officers will therefore explore the possibility of establishing a similar scheme.

4.12.4 ***Landlord Incentives Scheme***

Many landlords are reporting significant concern about benefit changes, and in some cases are refusing to accept tenants who are likely to be in receipt of Housing Benefit or Universal Credit. They report they are concerned about the introductory period of 42 days under Universal Credit. Officers are exploring ways in which landlords might be incentivised to continue to accept tenants in receipt of benefits, for example where the Council makes an initial payment to cover any period where the tenant is unable to pay rent due to delays in receiving their benefit payment.

Any payments under the scheme could be in exchange for the landlord offering a longer fixed term of 12 months to applicants and notifying us of any issues with rent payments at the earliest stage in order for us to intervene in an attempt to prevent a repeat homelessness situation.

4.13 **The Peterborough Homes Housing Allocations Policy**

As discussed at the September 2017 Scrutiny Committee meeting it is proposed to amend the Housing Allocations policy in order to increase the chances of families in temporary accommodation being offered permanent accommodation. This recommendation is now making its way through the Council's governance process.

4.14 **Increased housing supply**

The Council is exploring buying a number of properties throughout the city in order to reduce the pressures on temporary accommodation and/or move more people into permanent accommodation. A number of sites are being reviewed for suitability and affordability and further details regarding the numbers of properties and their locations will be presented in January 2018 to the Committee.

Financial modelling will be completed to ensure that the capital purchase is cost effective when taking into account both rental income that could be achieved, the cost of borrowing and the alternative cost of placements into private sector temporary accommodation.

Any purchase will be subject to full due diligence, as well as commercial and legal scrutiny before the Council moves to purchase.

5. **CONSULTATION**

5.1 None at this stage.

6. ANTICIPATED OUTCOMES OR IMPACT

6.1 None at this stage, although the full report in January will outline the impacts that the various approaches being considered will achieve.

7. REASON FOR THE RECOMMENDATION

7.1 This report provides the committee with an interim update on the work that is being developed to help address the growing problems of homelessness within Peterborough. The Committee's scrutiny and recommendations on the work being developed is welcomed.

8. ALTERNATIVE OPTIONS CONSIDERED

8.1 None at this stage.

9. IMPLICATIONS

Financial Implications

9.1 Capital resource to increase housing supply in the city may be required in due course, and this will be subject to a separate decision making process.

Investment to increase resource within the Housing Team has previously been agreed.

The financial implications of any of the other measures set out in this report will be subject to separate scrutiny as the individual business cases are brought forward.

Legal Implications

9.2 Full legal advice will be sought prior to any additional property being acquired.

Equalities Implications

9.3 None

Rural Implications

9.4 None

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

10.1 None

11. APPENDICES

11.1 None

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