

<b>HEALTH AND WELLBEING BOARD</b>	AGENDA ITEM No. 8
<b>4 DECEMBER 2017</b>	<b>PUBLIC REPORT</b>

Report of:	Adrian Chapman, 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**

R E C O M M E N D A T I O N S	
<b>FROM:</b> Service Director for Communities and Safety	<b>Deadline date:</b> n/a
<p>It is recommended that the Health and Wellbeing Board:</p> <ol style="list-style-type: none"> <li>1. Consider the report on housing pressures within the city and the work that is being undertaken on prevention and provide scrutiny and any comment, particularly in relation to the health and wellbeing implications of homelessness..</li> </ol>	

**1. ORIGIN OF REPORT**

- 1.1 This report is submitted to the Health and Wellbeing Board following a request at a previous meeting of the Board.

**2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is to provide an overview of the current levels of homelessness in Peterborough, including previous and forecast trends, to enable additional interventions that might mitigate the health and wellbeing implications of homelessness to be introduced.
- 2.2 This report is for the Health and Wellbeing Board to consider under its Terms of Reference No.2.7.2.2:

*To actively promote partnership working across health and social care in order to further improve health and wellbeing of residents.*

**3. TIMESCALES**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If yes, date for Cabinet meeting	n/a
---	-----------	----------------------------------	-----

**4. BACKGROUND AND KEY ISSUES**

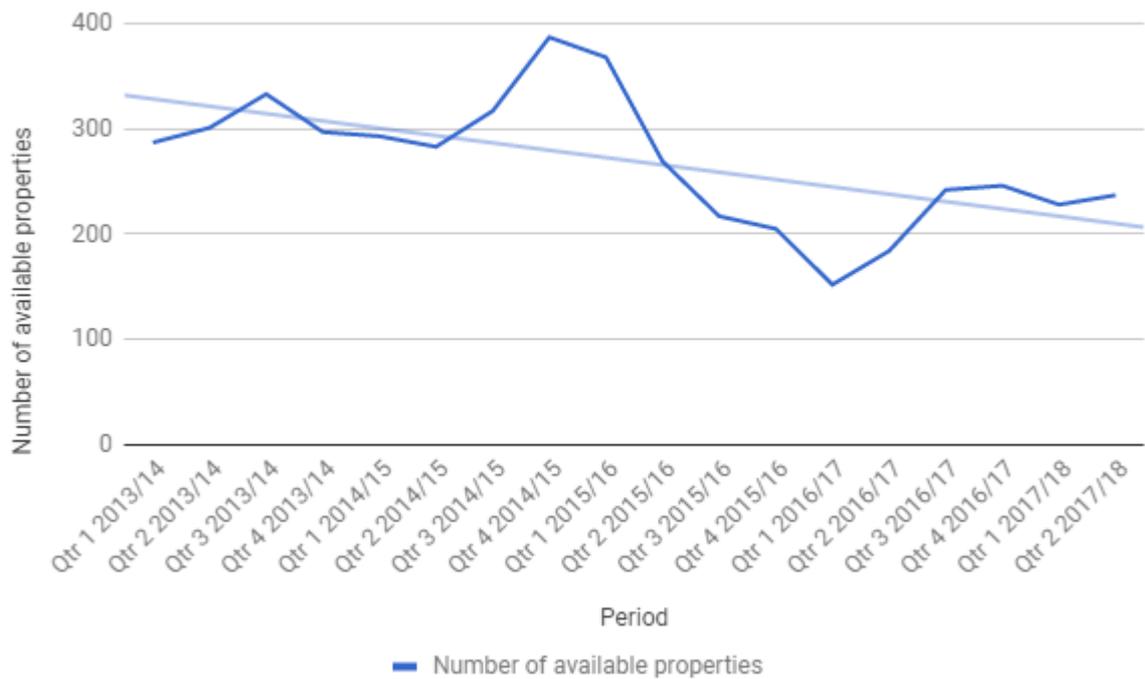
- 4.1 As set out in the council's phase one budget proposals for 2018/19, there has been a 200 per cent rise in the number of homeless families requiring temporary accommodation in just the last two years. As of the end of September 2017, the city council was supporting 328 households in temporary accommodation. The situation Peterborough faces is the same for councils across the

country because of a national shortage of social housing, changes to the way benefits are paid and private landlords supporting fewer tenants on benefits. The impact on the council's budget is huge as the council has a legal duty to provide housing for all those who meet the criteria for support. So far this financial year the cost of this is £1.6million.

- 4.2 It is highly likely that the city will continue to see an increase in the number of households presenting to us for assistance. Reasons for this include:
- Universal Credit - being rolled out in Peterborough in November 2017 and pilot areas are reporting a 12 per cent increase in eviction action due to rent arrears. We have reflected this impact in our forecasting from January 2018
  - Homelessness Reduction Act 2017 - anyone accepted by the council as being threatened with homelessness within 56 days (rather than the current 28 days) will be owed the new prevention duty which could include placing them into temporary accommodation at an earlier point in the process than is presently required. Government forecasts expect the Act, which becomes law on 1 April 2018, will increase demand by a further 26 per cent. Again, we have reflected this impact in our forecasting from April 2018
- 4.3 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.
- 4.4 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**

- 4.5 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.
- 4.6 In addition to the Housing Register the Localism Act 2011 gave local authorities the power to discharge their full housing duty by securing suitable accommodation in the private sector. Previously the combination of these two 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.
- 4.7 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:



### Homelessness Reduction Act

4.8 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. The Act comes into effect from 1 April 2018 and will require local authorities to carry out duties on a range of areas including:

- doubling the length of time (from 28 to 56 days) in which the council must support someone who is threatened with homelessness
- a more robust approach to advisory services with the need to provide information and advice to prevent homelessness
- providing targeted support to groups who are at greater risk of homelessness such as care leavers, prison leavers, people leaving the armed forces, domestic abuse victims etc.
- a personalised plan, setting out steps for the applicant and the council to take to ensure accommodation is secured and/or retained
- 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.
- 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 as 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.

### UNIVERSAL CREDIT FULL SERVICE (UC)

4.9 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.

- 4.10 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 may 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
- 4.11 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.

### **PROPOSED ACTIONS**

- 4.12 Given the significant challenges outlined above, the council are exploring a number of potential solutions.
- Homelessness Prevention & Homelessness Trailblazer**
- 4.13 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.
- 4.14 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.
- Prevention Toolkit**
- 4.15 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.
- 4.16 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.

#### ***Amended Discretionary Housing Payments (DHP) Policy***

4.17 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.

4.18 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.

#### ***Use of the Homelessness Prevention Fund***

4.19 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.

#### ***Mortgage Rescue Fund***

4.20 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.

#### ***Landlord Incentives Scheme***

4.21 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.

4.22 Any payments under the scheme could be in exchange for the landlord offering a longer fixed term of, for example, 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.

#### ***The Peterborough Homes Housing Allocations Policy***

4.23 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.

#### ***Increased housing supply***

4.24 The Council is exploring buying and/or adapting 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 the new year.

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

## **5. CONSULTATION**

- 5.1 Phase one budget proposal consultation is underway and ends on 30th November. This includes significant information about the homelessness challenges the city faces.

## **6. ANTICIPATED OUTCOMES OR IMPACT**

- 6.1 The additional services, support and investment will significantly improve the homelessness position within Peterborough over the coming months, although it will take time before new homes identified are available for use to house families or individuals.

Providing good quality accommodation will help to improve physical and mental wellbeing for people currently in temporary accommodation, many of whom may well be living in crowded conditions.

## **7. REASON FOR THE RECOMMENDATION**

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

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 Doing nothing will see an already problematic area further worsen. This will have significant implications for the council and partner budgets and negative outcomes for family health, education and employment prospects.

## **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 staff resources within the Housing Needs Team has previously been agreed. This is a temporary and time limited investment in order to meet the demand pressures faced.

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 implementing any key actions or policy changes.

### **Equalities Implications**

- 9.3 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