

## Central Bedfordshire Council

EXECUTIVE

Thursday, 13 July 2017

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### Homelessness Reduction

Report of: Cllr Carole Hegley, Executive Member for Social Care and Housing, ([carole.hegley@centralbedfordshire.gov.uk](mailto:carole.hegley@centralbedfordshire.gov.uk))

Responsible Director: Julie Ogley, Director of Social Care, Health and Housing  
[julie.ogley@centralbedfordshire.gov.uk](mailto:julie.ogley@centralbedfordshire.gov.uk)

**This report relates to a decision that is Key**

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#### Purpose of this report

1. To present a revised Action Plan to the Council's Homelessness Strategy 2015 as a result of the implementation of the Homelessness Reduction Act 2017.

#### RECOMMENDATIONS

**The Executive is asked to:**

1. **approve the revised Homelessness Strategy Action Plan in light of the significant new duties being implemented through the Homelessness Reduction Act 2017.**

#### Overview and Scrutiny Comments/Recommendations

2. This report has not been presented to Overview and Scrutiny although an information item outlining the requirements and impacts of the 2017 Act was presented on 5<sup>th</sup> June 2017.

#### Issues

3. The Council approved the current Homelessness Strategy in 2015 following a rigorous review and engagement process. The strategy set out key priorities for tackling homelessness, whilst raising aspirations and reducing financial impact on the Council (mainly through reducing temporary accommodation expenditure).

4. The Housing Service has responded to the 2015 strategy action plan, achieving some successes; building resilience to increasing demand, improved partnership working, development of the Independent Living team, external funding obtained for a rough sleeper initiative, and minimising use of Bed and Breakfast accommodation. The Council supported a £3.7M programme of acquisition of temporary accommodation primarily in the north of the area to help minimise hotel use.
5. Homelessness demand has grown in recent years. The situation concerning the increase in homelessness locally is complex and consists of several interrelated factors. Homelessness issues began to increase markedly during 2014 and the available data (including Shelter's national monitoring report) indicates a change in nature of the problem. Prior to 2014, the major reason for homelessness approaches was eviction by friends and family. In these cases, there is a greater opportunity to prevent homelessness as the family/friend could be more easily persuaded to allow the applicant to stay a longer whilst they applied for social housing via the housing register or were helped with accessing more affordable private rented accommodation. The number of homelessness preventions in 2012/13 and 2013/14 was 446 and 372 respectively.
6. In 2014, the strength of the private rental market and increase in rents alongside the welfare reforms (benefit cap, housing benefit changes) resulted in a shift to the main reason for homelessness. Evictions from the private rented sector become the main cause of homelessness approaches. This is evidenced in the Council's Homelessness review in 2014/15. From 2014, the increase in homelessness applications rose significantly from 160 in 2013/14; to over 200; and 230 in 16/17. The strength of the private rental market also had the effect of reducing the Council's ability to prevent homelessness as the private sector was less affordable. Many landlords are unwilling to take benefit recipients. Homeless preventions reduced from 446 in 2012/13; to fewer than 300 for the last three years.
7. Also, in 2015, case law effectively lowered the bar on vulnerability of single people. The Council owes a duty to single adults and couples without children who are vulnerable. But, prior to 2015, the threshold on the assessment of vulnerability (sometimes referred to as the 'truly vulnerable') was set relatively high. Since 2015, homelessness investigations were less "black and white" (mainly due to issues like debt) resulting in longer assessment times due to the need to consider a greater quantity of evidence on more complex cases, particularly concerning applicants with mental health issues. The cases increasing reflect the complexity of modern life, relationship breakdown and mitigating factors as to why the household is homeless, which require assessment.

8. The Homelessness Reduction Bill received cross party and Government support through the process of being enacted, which was achieved on 27<sup>th</sup> April 2017. The Act will be implemented in April 2018 and introduces significant new homelessness duties on local authorities in England.
9. There were several drivers behind the 2017 Act being developed. Nationally, around 50% of homeless applicants were owed a homeless duty. Current legislation provides a focus on people in priority need, with a local connection, and who are not intentionally homeless. The duty to secure suitable accommodation is only where these three tests are met.
10. There is increased visibility of rough sleepers in the UK. This is particularly true locally where Luton and Bedford have the 3<sup>rd</sup> and 4<sup>th</sup> highest levels of rough sleepers per 1,000 of population (Dec 2016). 42 rough sleepers have been identified in Central Bedfordshire since August 2016 (to end May 2017). Yet whilst rough sleeping is increasing, so too is use of temporary accommodation. Nationally it has increased by 10% over the last 12 months; locally it has increased by 100%.
11. The 2017 Act introduces a significant number of new duties outlined as below:
  - The Council will have a duty to take measures to “prevent homelessness”.
  - The period with which people are threatened with homelessness has been extended to 56 days, which now captured tenants who have been served with a notice to quit.
  - The prevention duty applies regardless of whether applicants are in priority need, whether they are intentionally homeless or whether they have a local connection. Any person threatened with homelessness can approach any local authority.
  - If homelessness cannot be prevented, there is then a new duty to “relieve” homelessness. This again is for a minimum 56 day period. It is not an absolute duty to provide suitable housing at this stage but a process to be followed to “relieve homelessness” in one form or another.
  - In respect of the above new duties, there is a duty to provide a Personal Housing Plan (an agreement or contract) with the applicant. This contract has to be closely monitored and the Council must complete all actions included within the contract. There are numerous points in which applicants can appeal.

- Whilst the Council is attempting to prevent or relieve homelessness, there is a new duty to “help secure temporary accommodation (TA)”. This is not an absolute duty to provide TA but Government Guidance has not been provided yet and there an even greater demand for TA is expected.
  - There is a new duty on statutory agencies such as the Police and Health Service. These agencies will have a duty to refer homeless people (perhaps those arrested or arriving in A & E) to the Council.
12. A presentation was made to Overview and Scrutiny committee on 5<sup>th</sup> June 2017 with more detailed information about the impact of the 2017 Act.

### **Options for consideration**

13. The 2017 Act will significantly impact the model of front line services within the Housing Service. Learning from local authorities in Wales and Trailblazer authorities in England is indicating a likely increase in front line Options Officers by 2 or 3 times in order to manage the increase in demand and comply with the prescribed statutory processes. The numerous points in which applicants can ask for a review of (or appeal against) decisions and action will require resources separate to the front line operation to provide an independent assessment.
14. The 2017 Act will increase the “reasonable preference” criteria that local authorities have to include within Allocations schemes. This means that a wider review of the Council’s Housing Allocations Scheme is required to ensure compliance with the new statutory provisions.
15. The Council has little option but to comply with the requirements of the 2017 Act. This includes ensuring all relevant strategies and policies are consistent with the new duties.

### **Reason/s for decision**

16. The wide ranging and comprehensive pieces of work required to meet the requirements of the 2017 Act effectively result in the current Homelessness Strategy Action Plan becoming less relevant and out of date. Whilst the Strategic priorities remain relevant, it is considered important for all stakeholders to see clearly, through a revised Action Plan, exactly what the Council has to do to meet its new duties under the 2017 Act.
17. Consequently, a revised Action plan is included in Appendix A for approval by Executive. Once approved, the action plan will replace the existing action plan and will provide the new platform for actions that are now required for the Council to meet it’s new duties under the 2017 Act.

## **Council Priorities**

18. The intention of the 2017 Act is to increase level of service for homeless people through an increase in the statutory duties placed upon local authorities. Consequently, the intention of the Act will most closely align with protecting the vulnerable and improving wellbeing.

## **Community Safety Implications**

19. There will be a duty on the Police to make referrals to the Council for people that are taken into custody, who the Police believe are homeless or at risk of homelessness. This will apply to probation services also. There will be a need for efficient partnership working and appropriate information sharing to reduce community safety risks that might be present with some customers subject to these referrals.

## **Legal Implications**

20. The Act introduces new duties on the Local Authority and it is likely to introduce new challenges (as well as opportunities) as the case law around interpreting the new Act develops.
21. To help reduce challenges, addressing how the Council is to comply with its new prevent duty at an early stage will help. The duty puts homelessness prevention work of housing teams on a statutory basis and the aim would appear to be that, for applicants who are threatened with homelessness, local authorities will have a much longer lead time in which to carry out prevention work. If prevention work is effective, there is enough staff, who are trained in the new duties, and who supported and able to carry out the extra assessments needed and work to secure accommodation to relieve homelessness, this should reduce the number of applicants where final duties are owed. If prevention work is successful, it could also avoid homelessness altogether so no final duties will arise.
22. Effective procurement strategies will need to be developed to ensure compliance with procurement rules as well as provide for the initial duty which can be discharged by securing suitable private sector accommodation (it now having to be for a minimum period of 6 months under the new Act), There can be risk of challenge with procurement if a bidder is unsuccessful or unhappy with the outcome. But again with effective procurement strategies, the risk of challenge should be reduced (or easily defended) and represents a significant opportunity to reduce caseloads where final duties are owed.

23. If there is to be a review and possible restructuring of the housing teams in order to meet the prevention duty, there will need to be consideration of duties under employment legislation. Such legislation requires employers to follow certain processes and timescales, particularly for any consultation or restructure where there are proposed changes in job roles and such legislation must be followed.
24. The Act may introduce a new area for legal challenge e.g. the new section 213B, which imposes an express duty on other public bodies (other than a local authority) to refer potentially homeless applicants to the local housing authority. The list of public authorities will be set out in regulations, but it will likely include social services and education departments. Therefore it is recommended that an update to joint working arrangements with these other departments is made at an early stage and to ensure that there is an effective information sharing agreements in place.
25. Given the large number of new duties, it is now conceivable that local authorities may have to deal with simultaneous requests for reviews. In the past, it was found to be lawful to carry out reviews of two separate issues in the same decision and so that principle should continue to apply, provided the authority states clearly that it proposes to roll up multiple requests for a review into a single decision.

### **Financial and Risk Implications**

26. Currently, the estimated cost of the Housing Options service within the Housing Solutions team is approximately £0.26M, although recent (May 2017) pressures has resulted in the need to increase resources to meet homelessness duties. In addition to this the net cost of temporary accommodation in 2016/17 was £0.6M.
27. The initial estimated (minimum) increase in resources needed for a process driven front line needs assessment process is around £0.175M, which equates to five additional Housing Options Officers. In addition, the Act provides 11 possibilities for review/appeal by customers and to be credible, this process must sit outside of the Housing Options service. It is estimated that there will be an additional cost of responding “challenge” of £0.06M.
28. There is likely to be increased need for temporary accommodation with the new duty to “help secure accommodation” so where this demand necessitates the increased use of private temporary accommodation, the net cost of temporary accommodation is highly likely to exceed £0.6M.

29. There is a need for a more robust case management IT system that can mirror the new processes and stages prescribed within the 2017 Act. Work is currently underway to explore options and developments that IT suppliers are working on. The Council have applied to become a pilot to test a Government sponsored IT case management system from September 2017. If this pilot is successful, it might result in access to a fit for purpose case management system at a reduced cost to the Council.
30. The Government have indicated some new burden's funding for implementation of the 2017 Act. There are estimates of around £0.05M to £0.07M per local authority although nothing has been confirmed to date (16<sup>th</sup> June 2017). It is considered unlikely that new burdens funding will meet the additional costs outline above.
31. The Government have (April 2017) changed the way that temporary accommodation funding is provided. Funding is now provided as a single grant, called Flexible Homelessness Support grant. Whilst there is the flexibility to use this grant (£0.24M) towards resources to meet the 2017 Act requirements, it also means that the level of housing benefit that customers in temporary accommodation will receive will reduce, which has an impact of income from temporary accommodation. The full impact of this change is currently (June 2017) being worked through between Housing, Finance and Revenues and Benefits services.

### **Equalities Implications**

32. Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
33. The Council's Homelessness Strategy was subject to an Equalities Impact Assessment in 2015. This report does not change the Strategy itself as the Strategic intentions remain. The intentions of the 2017 Act are to widen duties to a greater cohort of people affected by homelessness, which is admirable, but the level of resources required to meet those new duties requires serious consideration. The ability of the 2017 Act to actually assist the most vulnerable homeless people remains to be seen.

## **Conclusion and next Steps**

34. At this stage in preparations for the 2017 Act, it is clear that there are a number of work streams required to meet new legal duties, not only in actual operation of the Housing Solutions team but also wider Housing Services, Corporate services, and policy changes. Facilities to interview many more customers require consideration, investment in how to manage temporary accommodation demand, investment in case management IT systems, and changes to the Council's Allocations Scheme are all wider, corporate pieces of work required to enable the Council to meet its new duties.
35. The various work streams significantly alter the emphasis and detail with the Homelessness Strategy Action plan. A new Action Plan is presented with this report for approval and is attached as appendix A.

## **Appendices**

**Appendix A:** Refreshed Homeless Strategy Action Plan

The following Appendix is attached/ provided through an electronic link:

Central Bedfordshire Homelessness Strategy, link via website:

<http://www.centralbedfordshire.gov.uk/housing/policies/overview.aspx>

## **Background Papers**

**None**

Report author:

Nick Costin, Head of Service, [nick.costin@centralbedfordshire.gov.uk](mailto:nick.costin@centralbedfordshire.gov.uk)