

**TELFORD & WREKIN COUNCIL**

**CABINET - 4 JANUARY 2018**

**HOMELESSNESS REDUCTION ACT 2017**

**REPORT OF ASSISTANT DIRECTOR: COMMERCIAL SERVICES**

**LEAD CABINET MEMBER FOR HOUSING & ENFORCEMENT**

## **PART A – SUMMARY REPORT**

### **1. SUMMARY OF MAIN PROPOSALS**

- 1.1 The Homelessness Reduction Act 2017 (HRA) received Royal Assent on 27<sup>th</sup> April 2017 and is being implemented 3<sup>rd</sup> April 2018. This will place significantly increased duties on local housing authorities to prevent and relieve homelessness. It will amend the current duties under the Housing Act 1996.
- 1.2 The HRA transforms the help councils are expected to provide to all homeless people. It aims to ensure provision of new support to people who aren't entitled to help under the current system. It requires councils to try and prevent people from becoming homeless by intervening early and encouraging other public sector bodies to actively assist in identifying and referring those at risk of homelessness.
- 1.3 The Act represents a significant change to homelessness legislation. Key measures include:
  - An extension of the period during which an authority should treat someone as threatened with homelessness from 28 to 56 days.
  - A new duty to prevent homelessness for all applicants threatened with homelessness, regardless of priority need. (Prevention Duty)
  - A duty to assess and agree a personalised housing plan
  - A duty to relieve homelessness for all homelessness applicants regardless of priority need. (Relief Duty)
  - A new duty on public services to notify a local authority if they come into contact with someone they think may be homeless or at risk of becoming homeless. (Duty to Refer)
  - A stronger duty to provide advisory services to all. (Duty to Provide Advisory Services)
  - A duty to help to secure accommodation (Accommodation Duty).

### **2. RECOMMENDATIONS**

- 2.1 Cabinet are requested to note the Homelessness Reduction Act and endorse the actions taken by officers to date and those proposed within this report

2.2	Cabinet are requested to approve the allocation of the two sources of grant funding from the Government to be allocated to tackle homelessness for the next 2 years to enable the new legislation to be successfully implemented.
2.3	Cabinet authorise the Assistant Director: Commercial Services in consultation with the Cabinet Member for Housing and Enforcement to consider and review any changes to the Implementation Plan and changes in processes and procedures as required to comply with the Code of Guidance yet to be published.
2.4	Cabinet authorise the Assistant Director: Commercial Services in consultation with the Cabinet Member for Housing and Enforcement to approve and agree terms for the capital funding to help house homeless clients.
2.5	Cabinet delegates authority to the Assistant Director: Business, Development & Employment in consultation with the Cabinet Member for Finance, Partnerships & Commercial Services to negotiate and complete the disposal of the asset as described in this report known as Carwood.
2.6	Cabinet delegates authority to the Assistant Director: Governance, Procurement & Commissioning to seal or sign any documents required to give effect to the recommendations contained in this report..

### 3. SUMMARY IMPACT ASSESSMENT

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Council priorities	
	Yes	<ul style="list-style-type: none"> <li>• Protect and support our vulnerable children and adults</li> <li>• Improve the health and wellbeing of our communities and address health inequalities</li> <li>• Regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing.</li> </ul>
	Will the proposals impact on specific groups of people?	
	Yes	Residents in the borough who are homeless or at risk of homelessness.
<b>TARGET COMPLETION/ DELIVERY DATE</b>	It is proposed that the new Homelessness Reduction Act is implemented the 3rd April 2018	
<b>FINANCIAL/ VALUE FOR MONEY IMPACT</b>	Yes	<p>The Council received confirmation of the ring fenced DCLG New Burdens funding from 2017/18 - 2019/20 of £55.5k, £50.8k and £72.3k respectively and will cease in April 2020.</p> <p>Additional staffing resource is required to ensure we meet our responsibilities of the Homelessness Reduction Act, and the New Burdens funding will be utilised to support fixed term resource.</p>

		<p>It is anticipated that further one off funding will be required during the transitional period for the same purpose. In addition, HRA requires the Authority to provide more detailed Housing Management information and we will require a new system to facilitate that. There is currently a £50k capital allocation to upgrade the current Housing system (Academy), however further scoping work is required to establish full cost requirements.</p> <p>Within the Capital Programme £72k is allocated for a Loan Contingency grant. It is proposed this funding would be available to Landlords of up to £3k and will include conditions. This will ensure Homelessness properties within the Borough are available to Telford &amp; Wrekin Homeless clients.</p> <p>The Flexible Homelessness Support ring fenced grant replaces the income previously generated from the temporary accommodation management fee, £60 per week per property occupied. £103k has been received in 2017/18 and £113k is due in 18/19. Further analysis is required to establish if this creates a pressure going forward compared to income targets.</p> <p>AEM 29/11/2017.</p>
<b>LEGAL ISSUES</b>	Yes	<p>Local Authority obligations to homeless people are set out in statute and are the subject of a Code of Guidance.</p> <p>The Council has a statutory duty to assist all persons who are homeless or threatened with homelessness under the Housing Act 1996 (as amended 2002) part 7 Homelessness.</p> <p>The Homelessness Reduction Act 2017 places a new duty on Local Authorities to help to prevent homelessness in all client groups, rather than those with specific eligibility status. The Government are currently consulting on changes to the Homelessness Code of Guidance for Local Authorities which may have further significant implications for the Council in complying with its statutory duties when finally published.</p>
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	Yes	<p>Risks include:</p> <ul style="list-style-type: none"> <li>- Increased housing issues if people cannot be prevented from homelessness</li> <li>- Limited access to suitable accommodation to prevent homelessness, including adapted accommodation for those with disabilities.</li> </ul>

		<ul style="list-style-type: none"> <li>- Changes in welfare reform increasing the demand on the housing service due to being at risk of homelessness.</li> <li>- Housing demand not being met due to caps on local housing allowance and bedroom restrictions.</li> <li>- Increase in legislation under the Homelessness Reduction Act widening the number of people that we owe a duty to help.</li> <li>- Further significant implications for the Council in complying with its statutory duties when the Homelessness Code of Guidance for Local Authorities finally published</li> </ul>
<b>IMPACT ON SPECIFIC WARDS</b>	No	Borough wide impact.

## **PART B – ADDITIONAL INFORMATION**

### **4. INFORMATION**

#### **4.1 Background**

4.1.1 In June 2016 MP Bob Blackman submitted a private members bill to parliament, having previously been approached by the homelessness charity Crisis. The bill received cross-party support and following its passage through parliament, the Homelessness Reduction Act received Royal Assent on 27<sup>th</sup> April 2017. The HRA will come into force the 3rd April 2018.

4.1.2 The HRA significantly reforms England’s homelessness legislation by placing duties on local authorities to intervene at earlier stages to prevent homelessness in their areas.

4.1.3 The HRA sets out a framework for the most significant changes to homelessness legislation in recent years, proposing a substantial number of new duties. The HRA amends Part 7 of the Housing Act 1996, with 13 new clauses that amend many of the existing duties and homelessness applications are likely to rise significantly.

4.1.4 The Secretary of State for Communities and Local Government has issued a draft Code of guidance to local authorities. In accordance with the Act, housing authorities and social services authorities in England are required to have regard to the guidance when exercising their functions relating to homelessness and the prevention of homelessness. We welcome the concept of this Act and the positive approach to prevent homelessness by working closer with clients and partners.

#### **4.2 Main Duties under HRA**

This section summarises the main changes with the Act and later in the report (item 6) it outlines in impacts and implications

#### 4.2.1 Definition of Homelessness and Threatened with Homelessness

The HRA extends the period during which a local housing authority should treat someone as threatened with homelessness from 28 to 56 days, and sets out the actions local housing authorities should take when someone applies for housing assistance, having been served with a notice to end an assured shorthold tenancy.

#### 4.2.2 A Duty to Provide Advice, Assessments and Personalised Housing Plans

The HRA strengthens and extend the general advice duty, requiring the LHA to design a service that meets the needs of certain groups at risk of homelessness, these include:

- Persons released from prison or youth detention
- Care leavers
- 16/17 year old homeless cases
- Former members of the armed forces
- Person's leaving hospital
- Victims of domestic abuse
- Persons suffering mental illness
- Any other groups identified as a particular risk of homelessness within the Borough.

Housing authorities will have a duty to carry out an assessment in all cases where an eligible applicant is homeless or threatened with homelessness. This will identify the cause of homelessness, the housing needs of the applicant and any support requirements in order for the applicant to be able to secure and/or retain accommodation. Following this the authority must work with the person to develop a personalised housing plan which will include actions to be taken by both the authority and the applicant to try to prevent or relieve homelessness.

#### 4.2.3 A Duty to Prevent

The HRA places a new duty to prevent homelessness for all eligible applicants threatened with homelessness irrespective of priority needs status (4.2.7 defines what is a priority need); this includes new duties to those who are homeless or threatened with homelessness to:

- Carry out an assessment
- Agree and provide a personal housing plan
- Help to prevent homelessness; and
- Help to secure accommodation for all eligible applicants, regardless of priority need. Once triggered, the prevention duty would continue for 56 days unless it is brought to an end via one of the prescribed conditions.

#### 4.2.4 Relief Duty

The HRA states that if the applicant is already homeless, or becomes homeless despite activity during the prevention stage, the local housing authority must take reasonable steps to help all homeless eligible applicants to relieve homelessness for 56 days by helping applicants to secure accommodation, regardless of priority need. If the housing authority has reason to believe a homeless applicant may be eligible for assistance and have a priority need, they must be provided with interim accommodation.

#### 4.2.5 Duty To Refer

The HRA introduced a duty to refer on public authorities to notify a housing authority of service users they consider may be homeless or threatened with homelessness within 56 days. Before making a referral a public authority must:

- have consent to the referral from the individual
- allow the individual to identify the local housing authority in England which they would like the notification to be made to
- Have consent from the individual that their contact details can be supplied so they can receive contact from the housing authority.

Public authorities are not yet defined and this section of the Act is being delayed until October 2018, however we feel this area is important and will be implementing this sooner.

#### 4.2.6 The Main Housing Duty

If we cannot successfully prevent or relieve homelessness, we will owe the main housing duty to applicants who are eligible, have a priority need for accommodation and are not intentionally homeless. Under this duty we must ensure that suitable accommodation is available for the applicant and their household until the duty is brought to an end through either an offer of another suitable accommodation or they are no longer eligible for assistance. This area is comparable to existing legislation.

#### 4.2.7 Priority Need

Under the HRA, housing authorities have the duty to try and prevent or relieve homelessness for all eligible applicants, regardless of whether they have a priority need. However, should the housing authority not prevent or relieve homelessness, under Section 193(2) of the HRA we must secure accommodation for applicants who have priority need.

Those in priority need are classed as the following:

- A pregnant woman or a person with whom she resides with;
- A person with whom dependent children reside;

- A person who is vulnerable as a result of old age, mental illness, handicap or physical disability or other special reason;
- A person aged 16 or 17 who is not a 'relevant child' or a child in need to whom a local authority owes a duty;
- A person under 21 (but is no longer) looked after, accommodated or fostered between the ages of 16 and 18;
- A person aged 21 or more who is vulnerable as a result of having been looked after, accommodated or fostered;
- A person who is vulnerable as a result of having been a member of Her Majesty's regular naval, military or air forces;
- A person who is vulnerable as a result of: Having served a custodial sentence, having been committed for contempt of court or any other kindred offence or having been remanded in custody.
- A person who is vulnerable as a result of ceasing to occupy accommodation because of violence or threats of violence from another person;
- A person vulnerable for any other special reasons;
- A person who is homeless as a result of an emergency such as flood, fire or another disaster.

#### 4.2.8 Suitable Accommodation

Housing authorities have duties to secure accommodation for homeless applicants either on an interim basis or to prevent or relieve homelessness. Under the Homelessness (Suitability of Accommodation) (England) Order 2003, bed and breakfast accommodation is not considered suitable for families except where there is no other accommodation available, and then for only a maximum of 6 weeks.

#### 4.2.9 Deliberate and Unreasonable Refusal to Co-operate

The HRA places a requirement of all applicants to co-operate with the LHA, attempt to comply with their prevention and/or relief duties. If the LHA considers that an applicant has "deliberately and unreasonably refused" to cooperate or take any of the steps set out in the personalised housing plan, they can serve a notice on the applicant to notify them of their decision.

## 5. HISTORIC AND CURRENT DEMAND

5.1 The historic and current demand for homelessness services are as follows:

	<b>14/15</b>	<b>15/16</b>	<b>16/17</b>
<b>Homeless applications</b>	197	206	176
<b>Advice given</b>	5285	7224	5792
<b>Homeless cases prevented</b>	227	213	188

<b>No of households in temporary accommodation</b>	62	49	37
--	----	----	----

5.2 A important element of the provision of homelessness accommodation within the Borough for those both in the priority list but also outside of that is provided through Manning place. A key part of their stock of accommodation has been created most recently through the use initially on a temporary basis of Carwood in Stirchley a former care home that was closed by the Council some 12 months ago. There is a clear need to continue to support this provision and discussions are ongoing with regard a sale of the asset to Maninplace. The terms of such a sale would be subject to provisions for the continuing supply of the property for homeless accommodation. The extent of the site is shown in Appendix A

## 6. IMPACT AND IMPLICATIONS

6.1 As a council, we have a good track record in preventing homelessness. However there will be a significant impact on service delivery arising from the HRA:

- Indications suggest that once in force, the changes will increase the workload of the Housing Solutions Team by at least 50%. This is due to:
  - A wider target audience
  - Longer timescales in order to prevent or relieve homelessness
  - Preparation of the personalised housing plans (php)
  - Case management with the client
  - Reviews and support with the client of the php
  - Reviews that will need to take place with each customer.

Each interview is likely to increase from thirty minutes up to two hours, plus significant time to complete personalised housing plans which officers will need to review at multiple stages with clients. In addition, officers will have over seven times the current number of housing cases and these will be held and worked with for up to months at a time. In preparation for the above, we are carrying out a lean review to identify any areas of efficiencies.

The entire ethos of how we provide homelessness advice will change. Feedback from the trailblazers shows that the approach using personalised housing plans requires different skills such as mentoring skills that we would need to support and develop in the team to ensure we meet the transition.

6.2 An increase in the use and cost of temporary accommodation and due to a limited number of temporary accommodation in the Borough, it is likely that the use of bed and breakfast will increase (we currently do not place anyone in B&B) With limited number of placements within affordable housing available we will need to look at all housing options but this may mean that discharging our housing duty will be limited and will mean people are in temporary accommodation for longer.

- 6.3 Whilst the government have announced a New Burdens fund, this is limited and will not adequately cover the expected additional costs that the HRA will occur. This funding is for a 3 year period and is due to be reviewed and removed following 2020. We have received capacity funding for 12 months to ensure we have processes in place to enable us to deliver the functions as set out in Act in an efficient manner and to allow us to collate the data to identify additional pressures.
- 6.4 A new IT system is needed to be in place by the 3rd April 2018 in order to meet the reporting criteria required by DCLG on reporting on the HRA called HClick. A new system is currently being sourced to meet the reporting requirements.
- 6.5 Due to the increased number and the full assessments that will need to be carried out, we need to identify interview rooms to carry out this function.
- 6.6 Upcoming welfare reforms of Universal Credits being introduced in the Borough (Autumn 2018) is likely to exacerbate the difficulties associated with homelessness and housing advice provision. This increases the risk that more landlords will refuse to take households on benefits due to the housing element of UC being paid directly to the tenant.
- 6.7 Out of Borough homeless clients are also being placed within the private rented sector in Telford & Wrekin. The clients are predominantly from the London Borough areas and they are offering significant financial incentives to private landlords with properties in Telford. This is adding additional pressure, as we do not have the equivalent financial support to provide landlords which means we have reduced options to help our own homeless clients. However we would like to offer one off capital grants to private landlords to improve their properties if they offer housing to homeless clients referred through Housing. The grants would offer up to £3000 to improve their properties which will not only help with our homeless duties but to also help to improve the private rented sector.

## 7. FUNDING

- 7.1 A new funding called the New Burdens Fund has been allocated to Telford & Wrekin Council to help with the delivery of the HRA, this is as follows:

Year	16/17	17/18	18/19	Total
Amount	£55,529	£50,864	£72,3661	£178,759

- 7.2 The Flexible Homelessness Support Grant replaces the Temporary Accommodation Management Fee which could only be used for when someone is already homeless rather than preventing this in the first place. This new grant provides councils the freedom to support the full range of homelessness services to help prevent homelessness in the Borough.

Year	17/18	18/19
Amount	£103,125.64	113,038.21

- 7.3 It is proposed to utilise the 2 new sources of funding to implement the Homelessness Reduction Act and meet the new statutory duties arising out of the Act.
- 7.4 At this stage it is not known what the resource implications will be and depending upon future funding availability, there may be the requirement for additional resources to implement service improvements for the ongoing development of the HRA. Where this is the case additional investment will need to be subject to further Cabinet consideration.
- 7.5 If cases increase by 50% and the time taken with each applicant increases significantly plus additional pressure on temporary accommodation we are expecting this may cost us:

<b>Additional Staff Costs</b>		<b>Costs</b>
2 x Housing Solutions Assistants		£51,151
1 x Housing Solutions Officer		£28,776
1 x Property Management Officer		£31,704
Total Staff costs @ 17/18 pay		£111,631
Additional temporary accommodation (18 properties based at £550 rent each month)		£118,800 Council tax would also apply when properties are empty.

We would recoup some of the temporary accommodation costs from clients who receive housing benefits or from rental payments. However, we would only be able to claim the housing benefit in line with the Local Housing Allowance which may be less than the agreed monthly rents and due to the nature of temporary accommodation, we would need some properties empty to allow for emergency admits. During this time we would be liable for the rental payments of void properties and council tax.

## **8. IMPLEMENTATION**

- 8.1 To ensure we are ready to meet the HRA for the 3rd April 2018 we are putting together an action plan to outline dates and actions.
- 8.2 We are recruiting two Housing Solution Assistant posts which will triage all calls and drop in clients and assist those clients which are not a priority client but under the HRA are now eligible for prevention and relief assistance.

- 8.3 Identifying and working with partners within Telford & Wrekin is key to help sign post clients for support to help prevent and relieve homelessness.
- 8.4 For all services that link into homelessness are briefed on the new act and all service areas to notify Housing, Nuplace and Commercial Projects of the lead contact in each area.
- 8.5 To identify documents from existing trail blazer projects and produce relevant documents for Telford & Wrekin.
- 8.6 To view relevant software systems and to procure the correct system.

## **9. EQUALITY IMPACT ASSESSMENT**

- 9.1 A light touch equality impact analysis utilising available evidence has been undertaken on the Homelessness Reduction Act in relation to the General Equality Duty. The available evidence shows this will have a positive t there was any negative impact on people who share protected characteristics. The evidence was limited in some aspects and actions to improve record keeping are taking place. This will ensure a comprehensive evidence base is available to support the aims of the duty and demonstrate a truly inclusive service.

## **10. PREVIOUS MINUTES**

None.

## **11. BACKGROUND PAPERS**

### **Telford & Wrekin Council Homelessness Strategy (15 June 2017)**

Homelessness Reduction Act 2017

Homelessness Code of Guidance for Councils: July 2006 and Supplementary Guidance

Homelessness Code of Guidance for Local Authorities: Consultation Paper (October 2017)

***Report prepared by Toni Guest (Housing, Nuplace and Commercial Service Delivery Manager), [toni.guest@telford.gov.uk](mailto:toni.guest@telford.gov.uk), 01952 381860***