

# Overview and Scrutiny Committee

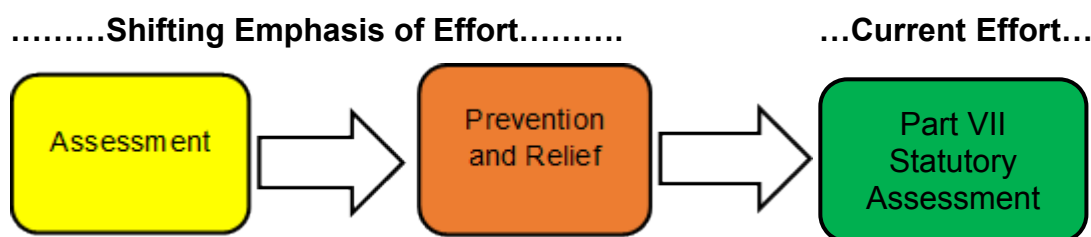
28 November 2017

<b>Title</b>	Homeless Reduction Act		
<b>Purpose of the report</b>	To note		
<b>Report Author</b>	Deborah Ashman, Karen Sinclair		
<b>Cabinet Member</b>	Councillor Mark Francis	<b>Confidential</b>	No
<b>Corporate Priority</b>	Housing		
<b>Recommendations</b>	<b>Note the progress being made on preparations for the Act in time for 1 April 2018 implementation</b>		
<b>Reason for Recommendation</b>	<b>The Homeless Reduction Act is the most significant change in homeless legislation since 1977 when the first Act was introduced. It places significant additional burdens on all Local Authorities in England and workload is expected to increase by at least 30%.</b>		

## 1. Key issues

- 1.1 The Homeless Reduction Act (HRA) was introduced as a Private Members Bill, with all party backing, and received Royal Assent on 27 April 2017. It fundamentally alters the current homeless legislation.
- 1.2 Key Provisions include:
- 1.3 **Assessment and Personal Housing Plan:** Currently Local Authorities only have to provide advice to homeless households who do not have a priority need (i.e. have children, is a young person, or vulnerable due to medical issues).
- 1.4 In contrast, under HRA all households considered homeless will have to have enquiries made into the circumstances by which they became homeless. The Council will then have a responsibility to devise a written personal plan on what needs to be done to support them, and the reasonable steps required to prevent them from becoming homeless.
- 1.5 **A Prevention Duty:** A new duty for councils to try and prevent the homelessness of people at risk of becoming homeless in the next 56 days. This duty will arise irrespective of their priority and connection to the area.
- 1.6 **A Relief Duty:** A new duty to for councils to try and resolve the housing issues for people who are already homeless. To qualify they must have the correct immigration status and at this stage must be in priority need and have a local connection to the area, otherwise they can be referred to a Local Authority where they do have a connection.

- 1.7 At this stage the Local Authority does not have to provide accommodation. People helped under the prevention and relief duty will be expected to take reasonable steps to prevent their own homelessness. If the client wilfully refuses to engage in this proactive approach, there is a new power to issue a warning and then end the housing duty.
- 1.8 **Duty to Refer:** The Secretary of State will draw up a list of organisations expected to refer households at risk of homelessness to the Local Authority.
- 1.9 Currently an organisation can in theory apply on someone's behalf but in practice it is normally the applicant themselves who makes the approach.
- 1.10 Having a much larger number of organisations legally obliged to make referrals will inevitably lead to a larger volume of customers. Local Authorities are expected to adopt their own local referral mechanisms.
- 1.11 Currently effort is focussed on Homeless Assessments under part VII of the the Housing Act 1996. The following table illustrates a model encouraged by DCLG where effort is focussed on Assessment and Prevention & Relief.



## 2. Options analysis and proposal

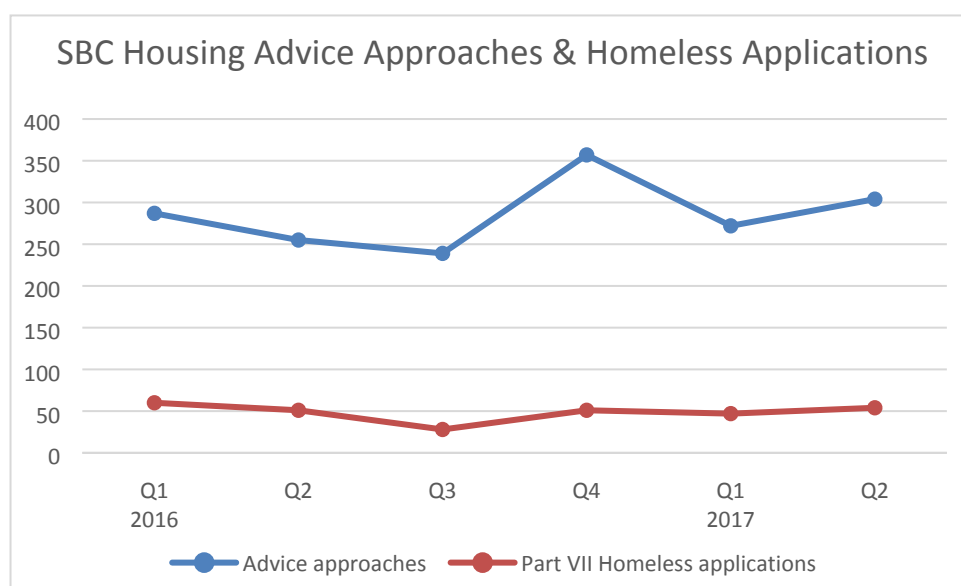
- 2.1 Due to the fundamental changes the HRA introduces, a Project Plan has been created to ensure Spelthorne Council adheres to its new additional statutory duties.
- 2.2 A corporate working group has been established which includes: Housing Options, Legal, Finance, IT, HR, Projects Team, and Family support. The group is sponsored by the Group Heads of Community Wellbeing.
- 2.3 The 11 Surrey Boroughs have undertaken joint work and sharing of information to reduce duplication of work.
- 2.4 As an addition Spelthorne is working closely with Runnymede and a joint stakeholder meeting is planned for 14 December 2017 to ensure all partners, both statutory and non-statutory are aware of the changes.
- 2.5 A number of Authorities are acting as trailblazers, one of which is LB Southwark and a visit there is planned for 7 November to see how they are managing the changes.

## 3. Councillors requested an update as to how the following will be considered.

### Current pressures/demands

- 3.1 The attached chart shows the number of housing advice cases and statutory homeless approaches for the most recent 6 quarters. The figures fluctuate and can be from 10% to 50% higher or lower between quarters.

Case type	2016				2017	
	Q1	Q2	Q3	Q4	Q1	Q2
Advice approaches	287	255	239	357	272	304
Part VII Homeless applications	60	51	28	51	47	54



- 3.2 Appendix A shows the total number of decisions made on statutory homeless assessments over a 5 year period. They show that the number of households accepted as homeless and to whom the council has a duty to provide accommodation has more than doubled.
- 3.3 DCLG anticipate each Local Authority to have an increased workload of 26%.
- 3.4 Local Authorities dispute this figure and feel it portrays too optimistic a picture and makes the assumption that prevention will succeed in most cases, thereby reducing the number of homeless applications.
- 3.5 A growth bid for additional staff and resources has been made to Cabinet to mitigate against this *additional burden*.

#### **Reviewing current policy. Will the new Act mean the current allocations policy will undergo a review, particularly the section on local connections?**

- 3.6 We will need to ensure our policies are in alignment. Cabinet approved the revised Allocations Policy on 27 September 2017. This was future proofed and unless the Secretary of State issues new guidance, will be fit for purpose.
- 3.7 Our Homeless Strategy was from 2014 running to 2019. This will need to be revised in light of the HRA.

3.8 This is an action already identified for the new Housing Strategy Officer, once appointed.

**Threatened with homelessness. This part of the amended HA seeks to determine what constitutes being 'threatened with homelessness' and when a prevention duty will end.**

3.9 Under current legislation someone is threatened with homelessness if they are about to become homeless within 28 days. The Local Government Ombudsman highlighted bad practice amongst some Local Authorities who were "gate keeping" and sending customers away and telling them to return on the day they were actually homeless.

3.10 The HRA changes the definition to 56 days and places a positive duty on Local Authorities to use this period to actively try and prevent homelessness.

3.11 In the past where someone was being evicted from private rented accommodation it was common practice for the LA to turn them away and ask them to return once there had been a court order for possession or a bailiff's warrant. This alienated landlords and placed additional costs on them which were ultimately passed on to the tenant.

3.12 The HRA says someone is threatened with homelessness once a valid s.21 notice has been served. Hopefully, this will enable LAs to resolve the issues at an early stage and avoid any court action.

3.13 We are changing our processes and training staff to ensure we fulfil our new duties and adopt this proactive up front approach. We intend to use an enhanced Housing Advice module being developed by our IT supplier Locata, which will enable Officers to follow a work flow and generate template letters, reviews and decisions etc. This should ensure consistent best practice. We will also work closely with other agencies in writing personal plans with a focus on practical solutions and sustainability.

**Duty to provide advisory services. It is worth noting that the new HA is considerably more detailed on the extent, scope and targeting of advisory services**

3.14 Under the HRA there is an expectation that Local Authorities will have a better understanding as to who their customers are and why they are seeking assistance. This is so that advice can be given on a thematic basis and services tailored to need.

3.15 Appendix B shows the reason why homeless households had a priority need. The three largest groups are:

3.16 Households with children or pregnant 81%

3.17 People with mental health problems 8%

3.18 People with physical health problems 6%

3.19 Using information such as this we are mapping what services there are for families e.g. Early Help Centre; debt advice; CAB; health services; legal advice etc.

3.20 We are also working with Catalyst who provide a Wellbeing Service in the Borough offering one to one counselling and peer group counselling.

3.21 We are also looking at ways of proactively tackling potential homelessness much earlier than ever before. For example, the rollout of Universal Credit has seen arrears in social housing rise dramatically, because tenants have not passed on their housing contribution to their landlord. In preparation for this A2Dominion, the largest social housing provider in Spelthorne is asking all new tenants to pay rent in advance to ensure that those who go onto Universal Credit do not accrue arrears and should they start to do so they can apply for the rent to be paid directly to them.

**Duty to assess every eligible applicant's case and agree a plan. The council must carry out an assessment in all cases where an eligible applicant is homeless, or threatened with homelessness. This is regardless of whether there is any priority need or possible intentional homelessness.**

3.22 Currently Local Authorities are supposed to provide advice and assistance to all homeless households. In reality this is frequently just verbal advice.

3.23 The changes will ensure that each applicant will have the grounds for their homelessness assessed but also the reasons behind this will be assessed and receive a written personal housing plan. The plan must be with the agreement of the customer and they can request a review if they are unhappy with the contents.

3.24 Appendix C shows the reasons why people become homeless. The three main causes are:

- Parental/relative exclusion 41%
- Loss of private rented accommodation 34%
- Domestic Abuse or other violence 12%

3.25 Case Study: a single person may approach as homeless having been asked to leave by their parents. Upon making enquiries it transpires the reason behind the eviction is that the person drinks and the parents are no longer willing to tolerate the situation.

3.26 The personal plan could include a referral to the Catalyst drug and alcohol service and an expectation that the person engages with them and also a referral to their counselling service for the parents, as it also offers help to family members.

3.27 The intention behind this would be to either get the family to reconcile or, if the applicant was offered their own private tenancy, to be in a better position to sustain it.

3.28 As paragraph 1.5 earlier indicates, there is a risk under the new legislation that customers can approach any Local Authority, regardless of whether they have a connection to that area and the Authority is obliged to assess and write a personal plan for them.

3.29 DCLG have advised us to have voluntary arrangements in place so that where it is apparent there is no Local Connection the customer is advised to approach the Local Authority area where they do have a connection.

3.30 However, there are currently similar agreements and expectations in place which do not work. This is particularly true of neighbouring London Authorities who face different pressures.

- 3.31 This is an issue that the Surrey Housing Needs Manager meetings can address as part of our joint work.
- 3.32 There is also a pan-London Housing Needs Managers meetings and we will see whether they plan a joint approach or borough by borough approach.

#### **4. Financial implications**

- 4.1 A separate report has been written for Cabinet requesting a growth bid to meet these additional burdens and statutory responsibilities.
- 4.2 All Local Authorities in England will be looking to recruit extra staff and it also considers the issues around recruitment and having competitive salaries.
- 4.3 We currently have six Housing Options Officers. We are recommending that with a minimum 30% increase in work this number is increased by two officers. We also anticipate a growth bid to help with tenancy sustainment and procurement of private sector rented properties, which may also require additional staff.
- 4.4 However, as the final draft guidance is not yet ready this will subject to ongoing review and may require additional resources.
- 4.5 DCLG additional burdens funding for Spelthorne amounts to c. £30k for each of the next two years and can be used for implementation costs but will not cover additional staffing costs.

#### **5. Other considerations**

- 5.1 The Homeless Reduction Act is being introduced at a challenging time. Five issues placing it in context are:
- 5.2 **Cuts being made by Surrey County Council.** HRA places an additional requirement to work with other organisations when devising a personal housing plan. At the same time cuts are being made to: supported housing and floating support. This is accommodation provided to people with mental health problems or other medical issues which means they cannot live independently without interventions and support; childrens' mental health services etc. which will restrict this.
- 5.3 **Housing Supply.** The HRA does not create any powers to the Council to enable us to promote new housing in either the social or private rented sector. There are currently approximately 1,900 households on Spelthorne's Housing Register.
- 5.4 **Limited Nominations into existing stock.** In the 12 months from October 2016 to September 2017 there were 218 offers of social housing made, 94 were made to households accepted as homeless, and 124 to households from the housing register.
- 5.5 **Welfare Reform.** Local Housing Allowance was intended to be tracker set at 30% of market rent. There is now a freeze and in reality fewer and fewer properties are affordable to households who are in low paid work and claiming housing benefit or households reliant on benefits. The roll out of Universal Credit has seen more private landlords who are reluctant to rent to households on benefits.
- 5.6 **Impact from London Authorities.** The HRA affects all English Local Authorities. Neighbouring Authorities such as Hillingdon and Hounslow have a different demographic difference to Spelthorne and will experience a

substantial increase in workload. They offer generous incentives to private landlords and have difficulty finding properties which are affordable within their own locality. We anticipate either clients being shunted to other Authorities for a personal housing plan or direct placements into Spelthorne.

**Background papers:**

There are none.

**References:**

Homeless Reduction Bill Policy Factsheets Feb 2017. [www.Gov.uk](http://www.gov.uk)  
<https://www.gov.uk/government/publications/homelessness-reduction-bill-policy-factsheets>

Homeless Reduction Act 2017 [www.legislation.gov.uk](http://www.legislation.gov.uk)  
<http://www.legislation.gov.uk/ukpga/2017/13/contents>

LGO: Homelessness. How Councils can ensure justice for homeless people.  
[www.lgo.org.net](http://www.lgo.org.net)  
<http://www.lgo.org.uk/information-centre/news/2011/jul/lgo-highlights-councils-failings-over-legal-duties-to-homeless-people>

**Appendices:**

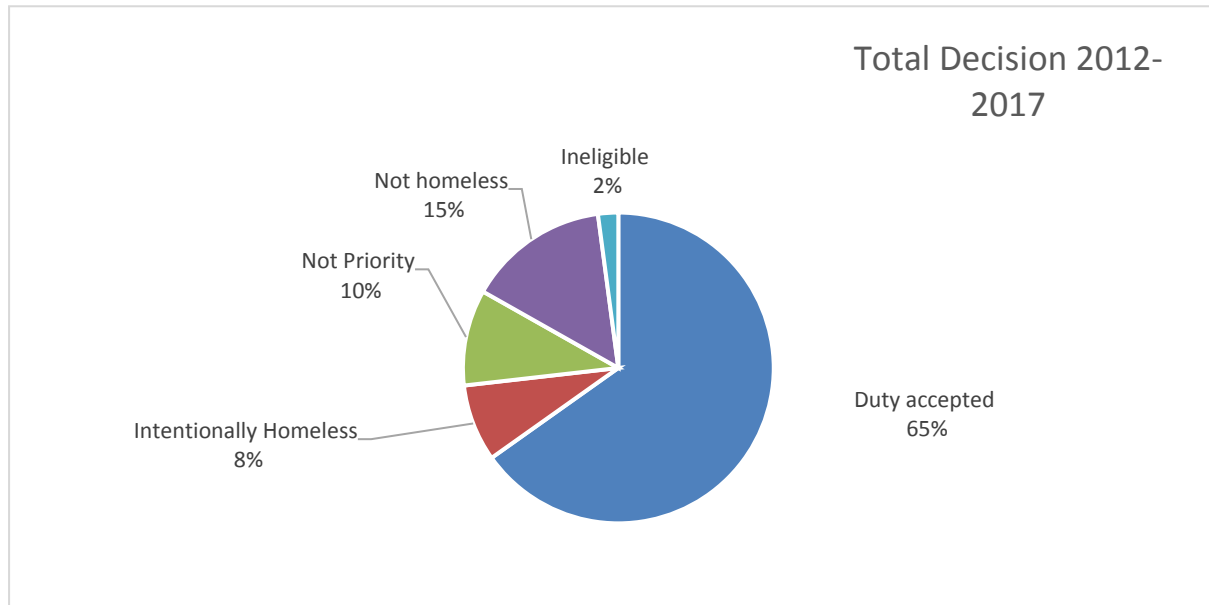
Appendix A: Spelthorne Borough Council Homeless Acceptances

Appendix B: Spelthorne Borough Council Reasons for Priority Need

Appendix C: Spelthorne Borough Council Reasons for Homelessness

## Appendix A: Spelthorne Borough Council Homeless Acceptances

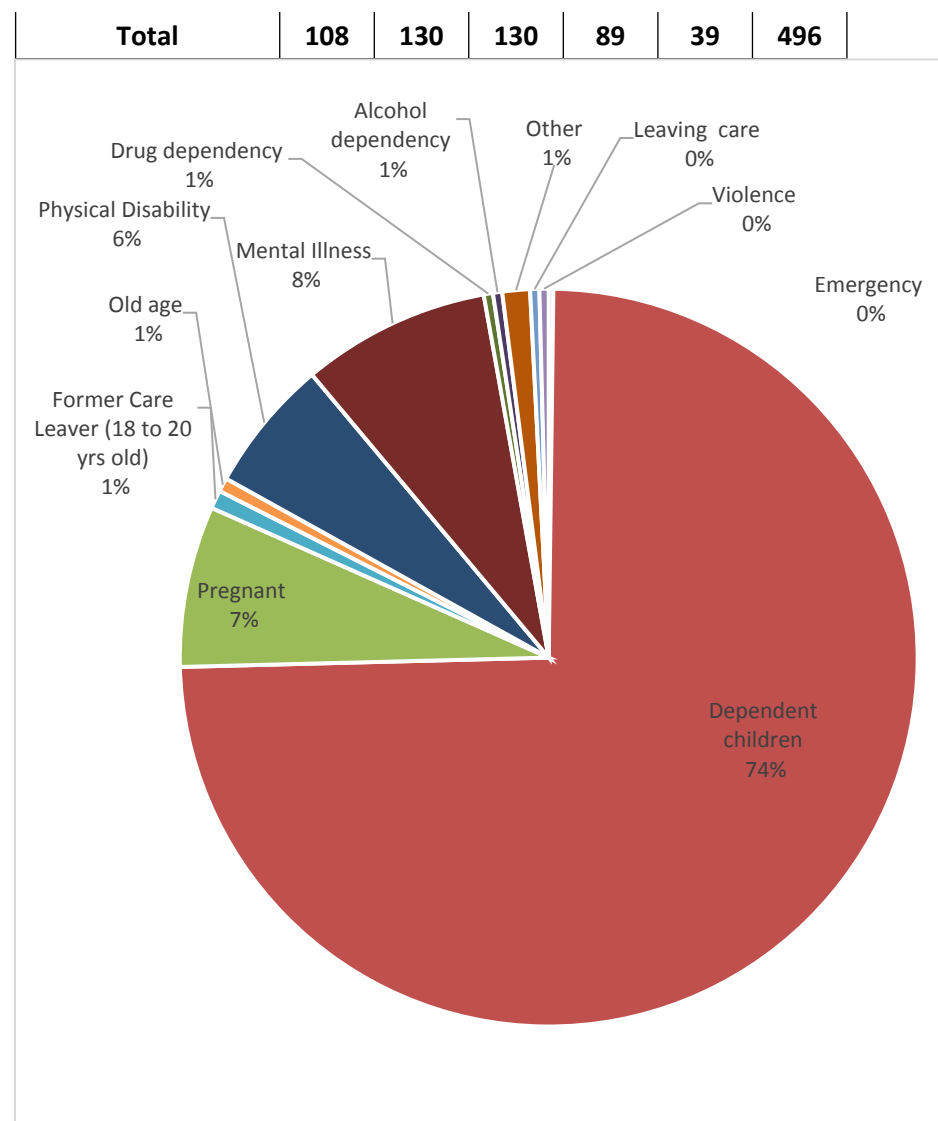
Year	Duty accepted	Intentionally Homeless	Not Priority	Not homeless	Ineligible	Total decisions
2016-2017	108	13	14	15	4	154
2015-2016	130	15	13	34	1	193
2014-2015	130	10	12	20	3	175
2013-2014	89	13	21	12	2	137
2012-2013	39	10	16	31	6	102
<b>Total</b>	<b>496</b>	<b>61</b>	<b>76</b>	<b>112</b>	<b>16</b>	<b>761</b>



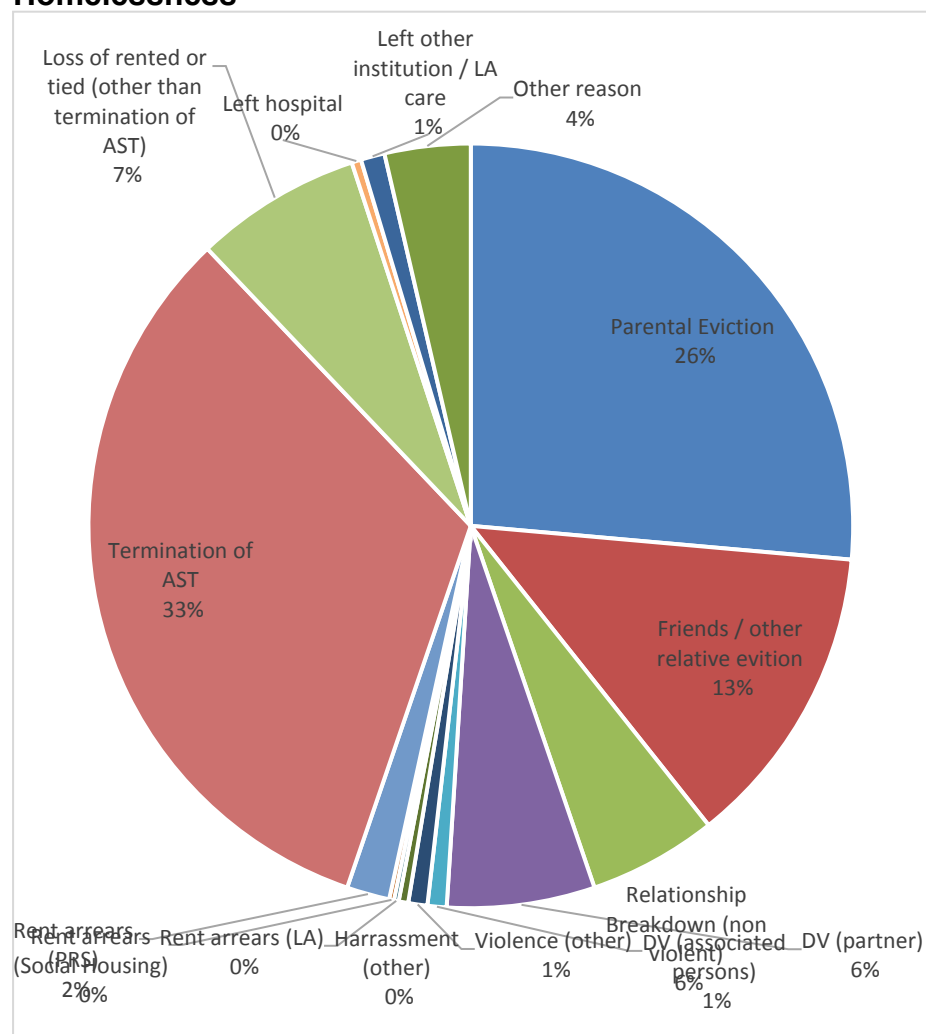


## Appendix B: Spelthorne Borough Council Reasons for Priority Need

Priority Need	2016	2015	2014	2013	2012	Total
	- 2017	- 2016	- 2015	- 2014	- 2013	
Emergency	1					1
Dependent children	71	101	99	68	30	369
Pregnant	5	12	10	6	2	35
16 or 17 years old						
Former Care Leaver (18 to 20 years old)		1	3			4
Old age		0	2	1	0	3
Physical Disability	7	7	7	3	5	29
Mental Illness	20	8	5	6	2	41
Drug dependency	1	0	1			2
Alcohol dependency	1	1				2
Former asylum seeker						
Other	2		2	2		6
Leaving care			1	1		2
Leaving HM Forces						
Leaving Prison						
Violence				2		2
of which domestic violence				1		1



## Appendix C: Spelthorne Borough Council Reasons for Homelessness



Reason for homelessness	2016	2015	2014	2013	2012	Total
	-	-	-	-	-	
	2017	2016	2015	2014	2013	
Parental Eviction	21	40	30	29	11	131
Friends / other relative eviction	16	18	15	7	8	64
Relationship Breakdown (non-violent)	7	6	7	6	1	27
DV (partner)	9	9	9	1	3	31
DV (associated persons)	1			2	1	4
Violence (racially motivated)						
Violence (other)	2	1	1			4
Harassment (racially motivated)						
Harassment (other)	1	1				2
Mortgage						
Rent arrears (LA)	1					1
Rent arrears (Social Housing)	1					1
Rent arrears (PRs)	2		5	2		9
Termination of AST	27	40	46	37	12	162
Loss of rented or tied (other than term. of AST)	10	12	9	2	2	35
Leaving Home Office Accommodation (asylum)						
Left prison/remand						
Left hospital	2					2
Left other institution / LA care	1		2	2		5
Left HM-Forces						
Other reason	7	3	6	1	1	18
<b>Total</b>	<b>108</b>	<b>130</b>	<b>130</b>	<b>89</b>	<b>39</b>	<b>496</b>