

**TO: ADULT SOCIAL CARE HEALTH AND HOUSING OVERVIEW AND SCRUTINY
PANEL
24TH JULY 2018**

HOMELESS REDUCTION ACT

Director of Adult Social Care, Health and Housing / Borough Treasurer

1 PURPOSE OF REPORT

- 1.1 The purpose of the report is to advise the Adult social care health and housing overview and scrutiny panel of the impact of the Homeless Reduction Act and the response the Council has taken.

2 RECOMMENDATIONS

Adult Social Care Health and Housing Overview and Scrutiny panel are asked to,

- 2.1 **Note the new obligations from the Homeless Reduction Act 2017.**
- 2.2. **Note the response to the new obligations the Council has implemented.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 On the 3rd April 2018 the provisions of the Homeless Reduction Act 2017 came into force. This brought new obligations for the Council in terms of homeless prevention and relief. There has been additional funding available to assist Council's in meeting these new obligations.

4 SUPPORTING INFORMATION

- 4.1. The Homeless Reduction Act 2017 introduced two new elements for Council's to provide in relation to homelessness. Firstly, if a household is threatened with homelessness within 56 days the Council is obliged to help them prevent becoming homeless regardless of whether they have a local connection with Bracknell Forest or whether they are in priority need. The Council will work to develop a personal housing plan with the household with a set of actions that are agreed with the household to help them avoid becoming homeless.
- 4.2. If it has not been possible to prevent homelessness the Council has a duty to relieve homelessness for 56 days. If there is reason to believe that the household is in priority need (has dependent children as part of the household or vulnerable) then the Council is required to provide temporary accommodation. At the end of the 56 days, if it has not been possible to relieve homelessness then the homeless duty must be met. If the household has a local connection to another local authority area then a referral to that Local Authority can be made. If the household is eligible (immigration status), homeless, has a local connection, unintentionally homeless and has a priority need, the Council will provide temporary accommodation pending the offer of a suitable home in the private rented sector or a housing association property.
- 4.3. Based on the approaches in April and May 2018, a total number of 29 single/ adult couple households were owed a relief duty. This could be equivalent to 174 cases under relief duty in the financial year of 2018/19. It is estimated that the council could

owe an accommodation duty to 50% of the total number of cases owed a relief duty as it may have reason to believe they are in Priority Need. Thus there could be a requirement to provide accommodation for 87 additional households compared to those the Council accommodated in previous years.

- 4.4. The Housing service had estimated that there could be in the region of 500 additional customers who would receive the homeless prevention and relief duty in the year. If that demand presents as an average of 10 customers a week with an average of 3 hours per customer(pathfinder LA who have already adopted the approach suggest 3 hours is a reasonable amount of time to assess and set up and case manage plans) it should be possible to contain this new demand within the released capacity resulting from introduction of Universal Credit and the proposal to recruit an additional Welfare and Housing Caseworker The additional Welfare and Housing Caseworker post is funded from new burden funding received to accompany the new requirements stemming from the Homeless Reduction Act. In addition, the service has appointed an Accommodation Officer from within existing resources. That officer will procure properties in the private rented sector to be offered to homeless households requiring family size accommodation. It is estimated that they should be able to secure at least 40 properties in a twelve month period.
- 4.5. The Council has been awarded the Flexible Homeless Support Grant for 2018/19 and 2019/20. The Following table sets out the confirmed flexible homeless support grant and estimated costs of how it will be used. The Flexible homeless support grant as the name suggests, can be defrayed on expenditure to address homelessness. However, it is not possible to carry the grant forward between the years.

Proposal	Flexible homeless support grant 2018/19	Flexible homeless support grant 2019/20	Total
Housing benefit subsidy loss on temporary accommodation	120,000	120,000	240,000
Accommodation finder	80,000	80,000	160,000
Floating support	20,000	20,000	40,000
Redevelopment of Tenterden lodge or alternative accommodation	129,073	155,230	284,303
Total grant	349,073	375,230	724,303

- 4.6. Housing benefit subsidy loss is the consequence of the change in the maximum amount of housing benefit that can be paid to tenants in the Council's accommodation. Prior to 2017/18 the maximum housing benefit was 90% of the relevant 2011 Local housing allowance (LHA) plus £60 per week management fee. Thus BFC set rents at that level. Post 2017/18 the Government set the maximum housing benefit that could be paid at the relevant LHA. This means the current temporary accommodation rents are set higher than the maximum housing benefit that could be paid. The options to the Council were to reduce rents and lose income or to pay housing benefit up to the current rent levels and as housing benefit subsidy would not be paid to that level, pay the loss of subsidy from the flexible homeless support grant. The latter was chosen as it maximises income for the Council, and maximises provision of affordable temporary housing. There is an existing proposal

to be reported to Corporate Management Team which would remove that subsidy loss and generate a revenue surplus by disposing of the Council's temporary housing stock to Downshire Homes Ltd.

- 4.7. It is proposed to offer to the market two year funding to an organisation that can procure private rented sector properties for the Council. The requirement will be for an organisation to offer a number of properties as close to local housing allowance levels as possible for which they will receive a fee from the Council. The organisations could offer management services to landlords and it is hoped that the two years funding will help the organisation achieve a level of self-sufficiency. Organisations will be asked to commit to provide at least 30 private rented sector units a year.
- 4.8. Discussion has taken place with a Registered Provider Places for People, who have committed to purchase houses to act as shared accommodation for ex-offenders. The accommodation will be leased to a specialist registered provider Langley Trust. Following soft market testing to identify the provision of intensive housing management to high risk offenders only, Langley Trust are the only Provider that *solely* provide this service and who already work with one of Bracknell Forest Council Specialist Providers namely Places for People, who provide accommodation for this purpose. Although, Langley Trust are the only service who solely provide intensive housing management support for high risk ex-offenders in this area, there is a need to provide floating support to help the ex-offenders into employment and to ready themselves to move into alternative accommodation otherwise the properties will not be able to be re-let. It is proposed to offer £ 20,000 a year to be match funded by the National Probation Service to fund the floating support service. If the NPS are not able to match fund then it will be in the Council's interests to employ the floating support itself. It is estimated that this proposal will enable at least 6 units of accommodation to be made available.
- 4.9. It is recommended that the remaining funding of £ 284,000 is made available to redevelop room 10 at Tenterden Lodge. A number of feasibility studies have taken place at Tenterden Lodge to establish whether it was possible to install modular buildings. This has been shown not to be cost effective due to the constraints of the site. It is therefore proposed that room 10 at the back of Tenterden lodge is redeveloped to provide four self-contained one bedroom units. If those units are re-let at local housing allowance one bed rates of £150 a week, it will generate a gross annual rent of £ 31,200. If management and maintenance of 16% and bad debt / voids and arrears at 5% is deducted it will provide ongoing revenue of £ 24,648 a year. The net income can be used to finance the other proposals in this report thus making them sustainable longer term if the flexible homeless support grant is no longer available. If it is possible to provide 4 units it will in effect only provide 3 due to the loss of the original room 10.
- 5.10. The following table sets out the summary of the proposals

Proposal	Units provided annually
Accommodation finder	30
Floating support	6
Tenterden lodge redevelopment	3
Net new demand due to relief duty	(47)
Unmet housing demand	8

- 5.11. A model called Housing First is being employed by a number of Local authorities. This requires accommodation to be available for homeless households which they can directly access and then with the help of floating support they can be helped to secure a long term sustainable housing solution. As a non- housing stock owning local authority it is difficult for the Council to adopt this approach. The approach would require agreement from the social housing providers in the area to provide suitable housing and this is unlikely to be forthcoming. Therefore, at this point in time this approach cannot be recommended although the recommendations in this report will go some way towards establishing a housing first approach through property procurement in the private rented sector and provision of necessary support

6. STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The relevant legal issues are addressed within the report.

Borough Treasurer

- 6.2 As set out in the report, the costs associated with the proposals will be met from the Flexible Homeless Support Grant.

Equalities Impact Assessment

- 6.3 Not applicable.

7 CONSULTATION

- 7.1 Not applicable

Background Papers

Contact for further information

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