

HOMELESSNESS - PLAN TO DEAL WITH AN INCREASE IN HOMELESSNESS PRESSURES

1. RECOMMENDATIONS

It is recommended that Cabinet:-

- 1.1 Approves and recommends to Council a supplementary budget of up to £1.3m for additional homelessness costs for 2022/23.
- 1.2 Approves the recruitment of 2 additional temporary homelessness posts at a maximum of £92,000 inc. on costs per annum.

2. INTRODUCTION

- 2.1 Demand for homelessness services and the Council's statutory duties to provide temporary accommodation, particularly for families, have increased significantly over the summer 2022 period. The pressing need for additional accommodation is likely to continue over the coming months resulting in pressures on the annual 2022/23 budget provision for homelessness.
- 2.2 A supplementary budget of up to £1.3m is forecast to cover the anticipated additional costs of procuring Bed and Breakfast and other types of interim accommodation and support, through 2022/23. The increased costs will be kept under close review throughout the remainder of the financial year.
- 2.3 Nationally, the use of temporary accommodation by Local Authorities up to the end of the 2nd quarter of the calendar year (30 June 2022), is expected to rise by 25%, when figures are published shortly by the Government.

3. BACKGROUND

- 3.1 Over the 12-month period up to 30 September 2022 several key indicators demonstrate increased pressures on the New Forest District Council homelessness service, when compared with the previous 12-month period. The last 6 months has seen significant upward trends in pressures, particularly due to an increase in family homelessness. In early January 2022 there were only 3 families present in Emergency accommodation, but over the summer months this consistently levelled out at around 40 families each month.
- 3.2 Indicators of demand pressures are:
 - 3.2.1 The number of Homeless applications triggered by a threat of, or actual, homelessness has increased 23%.

- 3.2.2 Family homelessness has contributed to the majority of the increase, with the number of families awarded the statutory 'Relief Duty' (The duty on the council to take reasonable steps to secure accommodation for homeless families with a local connection to the New Forest district) is up 23%
- 3.2.3 Single person homelessness has been significantly high since the onset of the Covid Pandemic and has not dissipated since.
- 3.2.4 Homelessness due to the end of a private rented tenancy is up 118%.
- 3.2.5 The number of successful Relief Duty discharges by securing alternative accommodation within the 56-day period has fallen from 111 to only 65 due to a lack of availability of private rented accommodation.
- 3.2.6 There were 249 households accommodated in emergency accommodation in the last 12 months, representing a 35% increase on the previous 12 months.
- 3.2.7 'Main Duty' (The statutory duty to secure accommodation for statutorily priority need and other vulnerable clients, following the end of the Relief Duty) acceptances are 28% higher.
- 3.2.8 114 Families were awarded this main duty, up 40%.
- 3.2.9 The number of families and single people, living in temporary accommodation, and offered suitable Social Housing to discharge the council's main housing duty has fallen 40% and 44% respectively, with only 67 duties to families discharged; due to an increase in vulnerable non-homeless households made live on the register competing for properties.
- 3.2.10 An increase in 'large' families approaching (five x 4+ bed need families in the last 6 months).
- 3.2.11 An increase in approaches to the service due to experiencing domestic abuse.
- 3.3 An increase in family homelessness is largely due to the end of tenancies in the private rented sector. The number of cases in the last 12 months where the tenancy is ending due to:
 - 3.3.1 rent arrears has increased by 87% or,
 - 3.3.2 the landlord selling or re-letting the property has increased by 15%.
- 3.4 The Department for Levelling Up, Communities and Housing (DLUCH) Homelessness Advisor inspected the Council's Homelessness Service in May 2022. The Advisor noted that the number of cases per officer was high at between 50 and 90 cases and highlighted that, in their view, "case management can suffer if an individual officer has over 35 cases". The advisor further noted that "staff were working extra hours to keep up with demand, which was impacting on their morale". Officers work in a stressful and reactive environment; dealing with complex and sometimes distressing housing issues, unplanned homelessness requiring urgent action and demands from individual households to meet their personal requirements on a daily basis.

- 3.5 When caseloads are high officers are not able to invest the time required to always make positive impacts in each case, which can sometimes make the difference between preventing homelessness and becoming homeless, and between moving on quicker from temporary accommodation and staying longer which increases costs.
- 3.6 The number of cases allocated to officers and their ability to carry out in depth work with clients has also been impacted in 2022 by a period of 2 long-term absences and maternity leave.

4. HOMES FOR UKRAINE SCHEME

- 4.1 Homelessness legislation was amended by the Government earlier this year to allow Ukrainian households entering the country under the Homes for Ukraine Scheme to qualify for public funds and homelessness assistance, in the same way UK nationals can access support. The Government is providing £10,500 in funding per Ukrainian guest residing in the New Forest District to Hampshire County Council. This funding is being apportioned to all districts councils in Hampshire to cover resource and accommodation costs.
- 4.2 A current and experienced Homelessness Officer has been seconded away from the central homelessness service to manage the Homes for Ukraine scheme in the district full time. An Agency member of staff is currently backfilling for this post, funded from the Government funding provided to Hampshire County Council.
- 4.3 In total, there are 422 visa applications which forms 198 households, of which 323 guests have arrived forming 143 households living with hosts in the district, as at 07 October 2022. Many of these households are now approaching the original 6-month accommodation commitment expected of hosts and both parties are looking to the Council for housing solutions.
- 4.4 So far, only 3 Ukrainian households have been placed in temporary accommodation and moved on to other long-term accommodation, but there is a clear steer from many hosts that they will not continue to accommodate guests, long term. Resolving the homelessness of these families as time goes on will place additional resource pressures on the service, but will also mean up to 200 additional households will be competing for a reducing pool of properties in the private rented sector, and potentially temporary accommodation, to resolve their homelessness.

5 PRIVATE RENTED SECTOR

- 5.1 Private Rented Sector Landlords have informed officers they have been selling in increasing numbers due to their own financial pressures, or have seen neighbouring properties sell for increased sums and they have decided to take advantage of the buoyant market pre-October 2022. Other landlords have decided to let their accommodation through holiday letting sites such as AirBnB. Increasing regulation on the sector to be introduced in coming years is also predicted to have an impact on the number of landlords in the sector. Letting Agents have told us their clients are putting up 6 months of rent in advance to secure properties with them.
- 5.2 The homelessness service has always assisted families leaving private rented tenancies and has achieved a good level of success in rehousing them in alternative private rented sector accommodation. However, the size of the private rented sector in the New Forest is lower than the national average and due to the reasons stated in para. 3.4 above, the supply of accommodation has reduced further over recent

months, whilst landlords and letting agents have a larger pool of prospective tenants to choose from, impacting on our ability to continue to secure properties.

- 5.3 On 20 August 2022, during the period of peak temporary accommodation provision, there were only 18 properties advertised on the Rightmove property website with a monthly rental below £1,400, with July 2022 showing similar levels of supply. Further barriers to securing properties are the requirement for prospective tenants to have good credit histories, at a time of cost-of-living pressures, and guarantors earning at least £30,000. The majority of our clients cannot meet these requirements.
- 5.4 Therefore, to secure private rented accommodation Homelessness Officers are having to significantly increase the financial amounts required to secure accommodation, by providing incentive payments and rent in advance loans of 6 months. For family accommodation this is a significant outlay but is more cost effective than paying for hotel or other such accommodation over a long period.
- 5.5 These constraints have resulted in more households still homeless and in temporary accommodation at the end of their relief duty. Families with children are automatically considered in statutorily priority need along with other vulnerable people, unless they have lost their previous accommodation due to a deliberate act and will be owed the main housing duty as the relief duty expires. Both the Relief and Main duties can only be awarded if the household satisfies a local connection test to the New Forest. The Council can only discharge this main duty through an offer of suitable accommodation in the social housing sector or through a 12-month private rented sector tenancy.

6 CURRENT USE OF EMERGENCY ACCOMMODATION

- 6.1 The number of homeless duty discharges into social housing has fallen due to a natural increase in other vulnerable and non-homelessness households on the housing register competing for social housing.
- 6.2 The knock-on effect of the factors raised previously in this report has been an increased number of single people, and larger numbers of families, accommodated in hotels and other types of interim accommodation, and for longer, at a time of peak cost during the summer months, significantly impacting the homelessness budget.
- 6.3 Homelessness statistics are provided to DLUCH each quarter including the use of B&B hotel accommodation for families. The Homelessness (Suitability of Accommodation) (England) Order 2003 states that Local Authorities should only use such accommodation for families for a maximum of 6 weeks.
- 6.4 The Council's usage of hotel accommodation and its plans to both reduce overall use and minimise the length of stay is scrutinised in monthly meetings with a DLUCH advisor. It is important the Council provides suitable accommodation for all families, with access to cooking and laundry facilities.
- 6.5 As of 07 October 2022, there are 39 families in nightly paid emergency accommodation, of which 7 families reside in hotel accommodation. Others reside in a mixture of holiday rentals and shared housing. 14 of these families have a move on plan in place to move shortly to council owned temporary accommodation, with full access to amenities.
- 6.6 There are currently 30 single people in nightly paid emergency accommodation, of which 17 reside in hotel accommodation. Others reside in a mixture of shared housing

with full access to amenities. 11 of these clients have a move on plan in place to move shortly to council owned temporary accommodation, with full access to amenities.

- 6.7 When forecasting future demand on the service, it is expected that the prolonged cost of living pressures will reach households not traditionally impacted by homelessness. Households currently requesting assistance demonstrate that an increasing number of less vulnerable and working households will shortly begin to approach the Council for assistance, coupled with an upward trend in existing cohorts of demand. In current examples, households who have lived in private rented accommodation for several years without issue have been faced with their first ever threat of homelessness as their landlord is selling the property.
- 6.8 There is also a risk of an increase in mortgage arrears and repossessions given the increase in interest rates, although it is too early to see the impact of housing market pressures just yet.

7 ACTION PLAN

- 7.1 The Housing and Homelessness Service has already instigated a number of actions to tackle increasing homelessness and costs, including the provision of 43 new units of temporary accommodation, which have so far accommodated 87 households since their respective launch. A further 7 new units in Totton to be handed over for letting shortly. The Council's temporary accommodation - largely for single people - is currently at full occupancy.
- 7.2 The Service Manager for Homelessness has drawn up an action plan to tackle existing pressures. Examples of these actions are:
- 7.2.1 Provide temporary cover for the seconded Homes for Ukraine Scheme Officer funded from the Homes for Ukraine Scheme grants.
- 7.2.2 Homelessness Officers will carry out a home visit to each threat of family or friend eviction (currently the 2nd highest reason for homelessness) to mediate for an extension of the current living arrangements.
- 7.2.3 Housing Officers are proactively seeking out single person households living in 2 and 3 bedroom council owned housing to ensure they are aware they can be supported to move to smaller accommodation. Where this type of under occupation takes place the majority of tenants receive less benefit toward their rent. Cost of living pressures are now making this situation unaffordable leading to rent arrears. Housing Officers are currently working with 7 households to move to smaller accommodation, freeing up vital family housing.
- 7.2.4 Our Tenancy Account Team for Council tenants are members of both the Council's Cost of Living Steering Group and a New Forest Citizen Advice led multi-agency group ensuring that the most vulnerable households have access to support. The Team have been tasked with publicising the support that can be offered where tenants find it difficult to pay rent and where they are under occupying. This work is being carried out in conjunction with our Information Officers and new public drop-in meetings around the district, starting with Calshot on 13 October 2022.
- 7.2.5 To support the action plan, it is proposed to recruit 2 additional FTEs on a 2-year fixed term basis. The Council's DLUCH Homelessness Advisor highlighted high caseloads and an opportunity for additional resettlement work aimed at assisting

households move on quicker. 2 additional officers will help reduce caseloads for each officer allowing impactful support to households to resolve their threat of homelessness before crisis point. Additional resettlement work will aim to free up much needed Council owned temporary accommodation for new homeless households.

- 7.2.6 The resettlement work will also allow for greater in-depth discussion and negotiation with Letting Agents and landlords to secure properties. Officers are currently seeking views from letting agents on the use of a third-party guarantor scheme funded by the Council, where clients do not have a guarantor.
 - 7.2.7 Financial incentives to landlords and loan payments to applicants will need to be raised to better compete for available private rented properties.
 - 7.2.8 Officers are proactively bidding for available and suitable social housing on behalf of clients in temporary accommodation. Flats are often considered less desirable than houses and frequently homeless households choose to bid on houses only. Should households not accept an offer of a suitable family sized flat their homeless duty can be discharged and then requested to leave temporary accommodation.
- 7.3 It is also proposed to remodel and refurbish the 7-room single person hostel at Parsonage Barn Lane in Ringwood in 2023 to provide accommodation for 4 families and 1 single person, whilst the Housing Development Team continue to seek out other opportunities for family temporary accommodation. The Housing Development Team continue to explore opportunities to procure accommodation within the New Forest District.
- 7.4 The Council can seek accommodation options outside of the district but as far as reasonably practicable a local authority should secure accommodation in its own area. Where this is not possible it must try to place applicants as close as possible to where they were previously living.
- 7.5 The Supreme Court has stated that the general shortage of available accommodation in the Local Authority's area is not sufficient reason for failing to comply with its obligations to keep people in the district, when making an offer of accommodation. An authority must properly consider the particular circumstances of the applicant and the availability of accommodation before securing accommodation out-of-area. An applicant who is offered accommodation outside the district can seek a review of the decision on grounds of suitability and the review officer must consider the availability of suitable accommodation within or closer to its area, as the facts stand at the date of the review decision
- 7.6 If a local authority has adopted and implements lawful procurement and allocation policies, then its decisions to offer out-of-area accommodation under the terms of such policies would generally be considered lawful and capable of discharging its duties. If accommodation is provided in another authority's area, the local authority in that area must be informed within 14 days.
- 7.7 The Service Accountant for Homelessness will monitor expenditure monthly. EMT will monitor performance regularly against the action plan with further scrutiny applied by Housing and Homelessness Overview and Scrutiny Panel and Corporate Affairs and Local Economy Overview and Scrutiny Panel.

8. FINANCIAL IMPLICATIONS

- 8.1 To fully comply with the Council's statutory homeless duties in 2022/23 the service will require a supplementary budget of up to £1.3m to continue to provide vulnerable families and single person households with access to suitable accommodation and support.
- 8.2 The recruitment of 2 additional FTEs on a 2-year fixed term basis will cost £92,000 per annum. These officers will be utilised to share caseloads and dedicated resettlement work and landlord liaison respectively.
- 8.3 Whilst every effort will be made to reduce costs, the short-term position remains uncertain as the winter period approaches when cost of living pressures will be felt most hardest, as domestic energy use and bills increase, and households will have been affected by prolonged inflationary price rises and economic instability.
- 8.4 However, regular reports will be provided to EMT and scrutiny panels to monitor the impact and demands on the service for 2022/23, and ahead of the budget setting process for 2023/24.

9. CRIME & DISORDER IMPLICATIONS

- 9.1 There is no direct link but there is evidence that homelessness is associated with crime and victimisation, which exacerbates mental health problems and the risk of violence.

10. ENVIRONMENTAL IMPLICATIONS

- 10.1 There are none directly arising.

11. EQUALITY & DIVERSITY IMPLICATIONS

- 11.1 The Homelessness Service provides help and assistance to an increasing number of vulnerable people represented by several protected characteristics. The Council is committed to providing an individual and supportive approach to all of its clients who are experiencing housing, health, welfare and economic difficulties.
- 11.2 Through the request for a supplementary budget, it is expected the service will continue to provide suitable accommodation in the district and meet the needs of vulnerable people and homeless households under the Equality Act 2010 and homelessness legislation.

12. PORTFOLIO HOLDER COMMENTS

- 12.1 I endorse the recommendations in this report.

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Background Papers:

None

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