



Community and Wellbeing Scrutiny Committee

21 March 2018

Report from the Strategic Director of Community Wellbeing

Homelessness Reduction Act – Introduction

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|---|---|
| Wards Affected: | All |
| Key or Non-Key Decision: | Non-key |
| Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small> | Open |
| No. of Appendices: | None |
| Background Papers: | None |
| Contact Officer: | Laurence Coaker Head of Housing Needs 020 8937 2788 |

1.0 Purpose of the Report

- 1.1 This report provides information about the Homelessness Reduction Act 2017, and the key changes that it will introduce. It also provides feedback on the role and general performance of the Single Homeless Prevention Scheme (SHPS) trailblazer scheme and the extent to which it is meeting its objectives.

2.0 Recommendations

- 2.1 That the committee note the information provided on the Homelessness Reduction Act 2017, and how the SHPS service is making a significant contribution to meeting the needs of single households who are homeless or threatened with homelessness, which are the objectives of the scheme.

3.0 Background

- 3.1 The Homelessness Reduction Act 2017 (the Act) significantly reformed England's homelessness legislation by placing duties on local authorities to intervene at earlier stages to prevent homelessness in their areas. It also requires housing authorities to provide homelessness services to all those affected, irrespective of whether or not a service user has priority need or may be intentionally homeless, both as defined by the Housing Act 1996 Pt VII.
- 3.2 Key measures in the Act include:

- An extension of the period during which an authority should treat someone as threatened with homelessness from 28 to 56 days, and clarification of the action an authority should take when someone applies for assistance having been served with a section 8 (1) or section 21 (2) Housing Act 1988 notice. These provisions represent a shift in focus to early intervention, and aim to encourage local housing authorities to act quickly and proactively.
 - A new duty to prevent homelessness for all eligible service users threatened with homelessness, regardless of priority need. This will predominately extend the help available to single people, and childless couples, who would not meet the statutory threshold of vulnerability (in priority need), as defined by current homelessness legislation.
 - A new duty to assess all eligible applicants' cases and agree a plan
 - Local Housing Authorities will be required to prevent homelessness for this cohort, by supporting them to either remain in their accommodation or help them find somewhere to live.
 - A new duty to relieve homelessness for all eligible homeless service users, regardless of priority need. This help could be, for example, the provision of a rent deposit or debt advice.
- 3.3 It is expected that the implementation of the Homelessness Reduction Act 2017 will increase the number of homelessness applications received by the Housing Needs Service, especially from single people.
- 3.4 This is for a number of reasons:
- Misunderstanding of what the new duties are, leading to false expectations that the Council has a duty to accommodate all households.
 - Increased publicity around the Act.
 - An increased window during which a household is considered threatened with homelessness (up from 28 days to 56 days)
 - Returning cases who were previously found to be Intentionally Homeless
 - Changes to welfare reform, such as Universal Credit and the Overall Benefit Cap
 - There will be a new duty on certain public bodies, e.g. social services, to refer cases to the Housing Needs Service (Implementation October 2018)
- 3.5 Feedback from trailblazer authorities who have piloted the Act, reported that the footfall from single households who are homeless or at risk of homelessness has increased by 40%.
- 3.6 As stated above, some of this increase in demand will be created through ongoing Welfare Reform, and so will be dealt with through the new services as set out in the paper below. However it is also anticipated that some households will access the service on the misunderstanding that the Act will result in an allocation of Social Housing, or at the very least, an allocation of accommodation in the Private Rented Sector. The Council will therefore need to work to prevent or relieve homelessness for a new cohort of households, who have historically not accessed the service.

Preparation for the Implementation of the Act

- 3.7 The Housing Needs service has created separate teams to deal with demand from families and single households. This is because single homeless people who approach the Council tend to have a degree of vulnerability, above and beyond the fact that they are homeless or threatened with homelessness. These vulnerabilities range from issues with mental health, drug and alcohol abuse or being ex-offenders. Dealing with single homeless households therefore requires a different, more tailored response than homeless families, the majority of whom are in housing need due to issues of affordability.

Family Homelessness

- 3.8 The Housing Options team is being reorganised in order to comply with the new duties under the Act, and the anticipated increase in demand. New processes have been designed to promote more efficient and proactive ways of working and are better suited to provide outcomes in terms of the Act.
- 3.9 The reorganisation is necessary as whilst the current duties will still be statutory for Housing Options after April 2018, the emphasis and order of duties will be changed, therefore creating a significant burden on the service. An even greater focus will be placed on prevention and relief of homelessness, therefore alleviating pressure on the amount of full homelessness assessments which will need to take place.
- 3.10 A Homelessness Reduction Act Project Team was set-up for the Housing Needs Service to prepare for the implementation of the Act. The team has considered the impact of the new legislation on processes in Housing Options and Accommodation Services by mapping the end-to-end processes of each team within the current structures, alongside members of staff from those teams. Data collected showed that approximately 4,000 households who are homeless or at risk of homelessness approach the Council each year, not taking into account demand from single people and childless couples.
- 3.11 As the Homelessness Reduction Act excludes individuals who are not eligible and not homeless, as defined by the Housing Act 1996 Pt VII, approximately 17.5% of these households who approach the Council will not be owed a duty based on current data. Considering the duties determined by the Homelessness Reduction Act, the Council will owe a duty to all service users who are eligible and homeless or threatened with homelessness, so we can estimate that we will owe approximately 3,300 families per year a prevention or relief duty.
- 3.12 The Homelessness Reduction Act has increased the amount of reviewable decisions in the process significantly. There are now 44 occasions in the process which somebody can request a statutory review. Therefore, the combination of the increase in reviewable decisions and the increase in demand discussed earlier will result in an increase in staffing for the Reviews Team to satisfy this demand.

Single Homelessness

- 3.13 In 2016 the Council commenced an Outcomes Based Review (OBR) to consider the housing needs of vulnerable single people. The OBR was carried out because it was acknowledged that the homeless service was not meeting the needs of single homeless people who did not meet the statutory thresholds to be eligible for services provided under the existing homelessness legislation. Another driver for the OBR was the Homelessness Reduction Bill (the Bill), which was introduced in the House of Commons in June 2016, was a Private Members' Bill, that attracted the support of the Government, as well as the main political parties represented at Westminster.
- 3.14 The data collected during the OBR showed that approximately 2300 single people with at least some level of vulnerability, and who are homeless or at risk of homelessness, approach the Council each year and attend a face to face interview.
- 3.15 The OBR confirmed the gap in service to single people who are homeless or at risk of being homeless but do not meet the vulnerability threshold in the homelessness legislation, and confirmed the groups most at risk. It also became clear that the Private Members' Bill, was being fully supported by all political parties and therefore very likely to be enacted, introducing additional duties to prevent and relieve homelessness for all households, who are homeless, threatened with homelessness and eligible.
- 3.16 Therefore work started on responding to this unmet need as it was clear that this would all be excellent preparation for the anticipated implementation of the Act. A twelve month pilot commenced in September 2016, where the former Care & Support Team in Housing Needs started to deal with all service delivery aspects for single homeless people and childless couples.
- 3.17 The Team was formally restructured in December 2017, which has resulted in the Council now being well positioned to deal with the implications of the Act, having already established a specialist Single Homeless Team.

Single PASS (Prevention and Sustainment Solutions) trailblazer scheme

- 3.18 The Housing Needs service have also established the Single PASS (Prevention and Sustainment Solutions) trailblazer scheme, following a successful bid to the Ministry of Housing Communities and Local Government (MHCLG), which secured £0.9M of funding. The implementation, and match funding, of this service was agreed at Cabinet on 16 January 2017, and is being delivered in the Civic Centre by the SHPS (Single Homeless Prevention Service).
- 3.19 The SHPS team is a consortium of the voluntary sector organisations Thames Reach and Crisis, working in partnership with a social investor, Bridges Fund Management. Referrals are made to SHPS from the Single Homeless Team,

of households who are homeless or threatened with homelessness, eligible for assistance, but who would not meet the vulnerability threshold in homelessness legislation. The SHPS team develop and agree a Personal Housing Plan with the household on how they will work together to prevent or relieve their homelessness. The SHPS team then receive payment for outcomes achieved.

3.20 The outcomes the council pay for are:

- To develop and agree a Personal Housing Plan for all households referred to SHPS
- Evidenced prevention or relief of homelessness
- Evidenced sustainment of accommodation for 8 months

3.21 From 1 April 2018 the services being provided by SHPS change from being a local preventative project to a nationally publicised statutory service, which has been specifically designed to deal with the anticipated increase in demand, following the implementation of the Act.

4.0 Performance

4.1 The SHPS service commenced on 19th September 2017 and for the period up to 2nd March 2018, 217 households have been referred, with 178 Personal Housing Plans completed. The 39 households who were referred, but did not agree a Plan failed to attend or rebook appointments, also some appointments were rearranged into March due to the severe weather experienced in February. There have been 50 successful outcomes, where prevention or relief of homelessness (new accommodation secured) was achieved. The remaining 128 households form the live caseload of the service, whom they continue to work with to prevent or relieve homelessness

4.2 This performance, both in terms of the level of referrals made and the number of outcomes achieved is ahead of the targets set for the project, as illustrated in tables 1 and 2 below.

Table 1 Number of anticipated referrals to SHPS

| | Q3 17/18 | Q4 17/18 | Q1 18/19 | Q2 18/19 | Q3 18/19 | Q4 18/19 | Q1 19/20 | Q2 19/20 | Total |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------|
| Number of anticipated referrals | 45 | 125 | 175 | 230 | 280 | 300 | 300 | 300 | 1,755 |

4.3 The prevention of homelessness achieved through the SHPS Scheme will make a significant contribution to the overall number of preventions achieved, which is a Key Performance Indicator for the Housing Needs Service and will be required as part of the new homelessness statistical report 'H-CLIC', required by Government.

Table 2 Outcome targets

4.4 The prevention of homelessness achieved through the SHPS Scheme will not however make a significant contribution to the homelessness acceptance numbers/rate, nor the overall number of households living in Temporary Accommodation (TA). This is because the cohort of referrals will not meet the statutory threshold to trigger the duty to provide TA, or the main rehousing duty.

4.5 Please see full details of the referrals and outcomes achieved in Appendix 1 – SHPS Performance Report, for the period 19th September 2017 – 2nd March 2018.

5.0 Development of the Scheme / lessons learnt

5.1 To date, the approximate split of referrals to SHPS has been 80% at the relief

| Outcomes Profile | Q3 17/18 | Q4 17/18 | Q1 18/19 | Q2 18/19 | Q3 18/19 | Q4 18/19 | Q1 19/20 | Q2 19/20 | Q3 19/20 | Q4 19/20 | Q1 20/21 | Q2 20/21 | Total |
|------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-------|
| Personal Housing Plans | 40 | 110 | 155 | 203 | 253 | 274 | 274 | 274 | 0 | | | | 1,583 |
| Prevention or Relief | 6 | 63 | 83 | 121 | 145 | 172 | 172 | 172 | 57 | | | | 991 |
| Sustained | | | 0 | 20 | 54 | 76 | 100 | 124 | 134 | 134 | 134 | | 776 |

stage (person is already homeless) and 20% at the prevention stage (person is threatened with homelessness). This has resulted in the majority of households needing new accommodation to resolve their homelessness, as opposed to being able to prevent homelessness by securing their existing home.

5.2 SHPS therefore require referrals to be made at an earlier stage if more cases are to be prevented, without the need to secure alternative accommodation. SHPS are also due to attend the Harlesden Hub, to engage with households in the community. It is envisaged that taking the service out into the community, as opposed to waiting for households to approach the civic centre when they are in housing need, will also improve the ability to prevent homelessness at an earlier stage.

6.0 Financial Implications

6.1 The current Single Homelessness Prevention Service (SHPS) is funded via a £0.9m grant from the Ministry for Housing Communities and Local Government (MHCLG) and £0.9m match funded by the Council. The grant conditions require the use of voluntary sector organisations to provide the service.

6.2 The overall costs of posts within the Housing department to comply with the new duties under the Act, as well as deal with the anticipated increase in demand is estimated at £1.3m per annum. A number of these additional posts

have been created on 12 month fixed term contracts, to allow a degree of flexibility to reduce staffing levels should demand reduce.

- 6.3 The government has provided one off funding to local authorities to meet the 'new burdens' costs associated with the additional duties contained within the Act. Brent has been allocated on average £0.4m pa up to 2019/20. There has been no indication of this funding being extended after this point.
- 6.4 In addition, the council has been awarded £1.168m for 2017/18 and £0.832m as part of the package of support within the Flexible Homelessness Support Grant (FHSG) to be utilised to support the prevention of Homelessness. As per the new burdens funding, there is no certainty of the funding continuing after 2018/19.
- 6.5 So in summary, in the short term, the current funding streams available to the council are sufficient to cope with the anticipated increase in demands. However, in the medium to long term the funding for these new duties is less certain. If the Council is not successful in preventing more households from becoming homeless, and meeting the demand for affordable housing from homeless households in the Private Rented Sector, then the use of Temporary Accommodation will grow. With no certainty of the future funding arrangements through the Flexible Homelessness Support Grant (FHSG), this will lead to significant pressures on the General Fund .

7.0 Legal Implications

- 7.1 Pursuant to section 70 of the Deregulation & Contracting Out Act 1994, article 3 of Local Authorities (Contracting Out of Allocation of Housing and Homelessness Functions) Order 1996 (the 1996 Order) permits the Council to contract out functions (other than excluded functions) under Part VII of the Housing Act 1996 (homelessness)" except one which is listed in Schedule 2 to the Order.

Schedule 2 excludes from contracting out S179 (2) and (3) of the Housing Act 1996. The Homelessness Reduction Act 2017, at paragraph 2, substitutes a new s179 into the Housing Act 1996 (duty of local housing authority in England to provide advisory services). S179(1) of the Act states that each local housing authority in England must provide or secure the provision of a service, available free of charge to any person in the authority's district, providing information and advice on preventing homelessness, securing accommodation when homeless, the rights of person who are homeless or threatened with homelessness and the duties of the authority, any help that is available from the authority or someone else, and how to access that help. As s179(1) is not excluded from contracting out, the authority may contract out this function. The new s179 will be in force from 3 April 2018.

- 7.2 As mentioned in the body of the report, the main focus of the Act is on 'prevention' and 'relief' of homelessness. In respect of non-vulnerable single persons, priority need is no longer the threshold. The 'new' s179 duty is to

provide a more substantial advisory service. The Table below summarises the changes the Act makes to the Housing Act 1996.

| Section of Homeless Reduction Act 2017 | Purpose | Amendment to Housing Act 1996 |
|---|--|--------------------------------------|
| 1 | Extends definition of “threatened with homelessness” to 56 days | Amends existing s.175 |
| 2 | Amends existing duty to provide advisory services | Substitutes a new s.179 |
| 3 | Imposes a new duty to assess every eligible applicant’s case and agree a plan | Inserts a new s.189A |
| 4 | Amends existing duty in case of threatened with homelessness to take reasonable steps to help the applicant to secure that accommodation does not cease to be available. | Substitutes a new s.195. |
| 5 | Creates a new “relief” duty for anyone who is homeless and eligible and makes new referral provisions. Unless refer (local connection), must take reasonable steps to secure suitable accommodation becomes for at least 6 months. Must have regard to s189A plan. | Inserts new s.189B and s.199A |
| 6 | Imposes new duties to help to secure accommodation | Inserts a new s.205(3) |
| 7 | Makes new provisions for failure to cooperate by an applicant for assistance | Inserts new ss193(A-C) |
| 8 | Makes new provision for local connection of a care leaver | Inserts a new s.199(8)-(11) |
| 9 | Extends existing statutory review duties | Amends s.202 |

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| | | |
| 10 | Imposes a new duty on “public authorities” to refer cases to LHA | Inserts a new s.213B |
| 11 | Provides for a Code of Practice | Inserts a new s.214A |
| 12 | Further defines suitability of private rented sector accommodation | Amends Art. 3 of the Homelessness (Suitability of Accommodation)(England) Order 2012 |

7.3 The s189B relief duty ends for those eligible, homeless, in priority need and not intentionally homeless at the end of 56 days from when the authority is satisfied that the appellant is homeless and eligible. Otherwise: when the authority secures accommodation for the Appellant for at least 6 months; the appellant refused an offer of accommodation; the appellant becomes intentionally homeless from s189B accommodation; the appellant is no longer eligible; the appellant withdraws her application; the appellant refuses final Part 6 or final accommodation offer; the appellant deliberately and unreasonably fails to co-operate.

7.4 The s195 duty may be ended if: the appellant has suitable accommodation for at least 6 months; the authority has helped to secure accommodation and 56 days has elapsed since duty crystallised; the appellant becomes homeless; the appellant refused an offer of accommodation; the appellant becomes intentionally homeless from s195 accommodation; the appellant is no longer eligible; the appellant withdraws her application; the appellant deliberately and unreasonably fails to co-operate.

7.5 The range of s.202 statutory reviews has been extended to encompass reviews:

- of the steps the authority are to take in their personalised housing plan at the prevention duty
- to give notice to bring the prevention duty to an end
- of the steps the authority are to take in their personalised housing plan at the relief duty
- to give notice to bring the relief duty to an end
- to give notice under s.193B(2) in cases of deliberate and unreasonable refusal to co-operate.

Accordingly, the Allocation of Housing and Homelessness (Review Procedures) Regulations 1999 are to be reviewed

7.6 The Homelessness Act 2002 brought in a duty to produce a 5 yearly homeless strategy for preventing homelessness in the district. The strategy will require revision due to the provisions of the Act.

8.0 Diversity Implications

- 8.1 The current legislation does not assist a substantial proportion of those seeking accommodation who are homeless. Currently the legislation owes a housing duty to those in priority need i.e. applicants with dependent children, applicants who are vulnerable as a result of medical/mental health issues, being in the armed forces, leaving institutional prison and who are elderly. The Homelessness Reduction Act lifts the priority need limitation to homeless applicants and opens the prevention duty to all members of the public who are eligible and threatened with homelessness. It is therefore anticipated that this change will have a **positive or neutral impact** on service users across all age group, particularly the single working age homeless group.

Report sign off:

Phil Porter

Strategic Director of Community
Wellbeing