

HOMELESSNESS PREVENTION & HOUSING OPTIONS INITIATIVES
(Report by the Head of Housing Services)

1. PURPOSE OF REPORT

- 1.1 To inform Cabinet of the homelessness prevention initiatives and housing options currently being used by the Council and to consider other good practice initiatives and options that could be introduced.

2. INTRODUCTION AND BACKGROUND INFORMATION

- 2.1 Homelessness has climbed up the political agenda since the late 1990's when nationally Councils experienced dramatic increases in the numbers of households accepted as homeless and subsequently placed in temporary accommodation. Huntingdonshire is similar to many areas of high housing demand in that it has experienced significant increases in homelessness from the year 2000. Chart 1 in the appendix shows the growth in the number of homeless households approaching the Council for help since that year, together with how many of those households were accepted as statutorily homeless. Although the rate of homelessness appears to have reached a plateau the real concern is how future changes in the property market may significantly influence people's ability to meet their own housing needs, which in turn affects the number of households approaching the Council as homeless.
- 2.2 As homelessness has increased so has the Council's need to provide a larger stock of temporary accommodation to meet our statutory obligations. This is primarily because the supply of suitable social rented properties available from RSLs for letting does not meet the demand in the right timescales. The Council therefore has a duty to secure temporary accommodation in certain circumstances until more permanent housing can be made available. In Huntingdonshire this has led to an increase from 59 households in temporary accommodation in June 2001 to 110 households as at 14 November 2006. Other Councils have also experienced large increases in the number of households in temporary accommodation. In 2005 the government therefore set a target for all Councils to halve the number of households it has in temporary accommodation by 2010 based on a baseline figure from December 2004). Huntingdonshire's target is to achieve a maximum of 45 households in temporary accommodation by 2010. Chart 2 in the appendix shows the increased use of temporary accommodation for this district.
- 2.3 In recognition of the national growth in homelessness government introduced additional legislation requiring Councils to take a more strategic approach to tackling homelessness. This Act, the Homelessness Act 2002, is also central to the 'prevention-focussed' approach required of Councils in dealing with homelessness. This has changed the focus from a legalistic approach of processing applications and crisis managing homelessness to working proactively at an earlier

stage to prevent homelessness happening. Where prevention is not possible information and assistance on alternative housing options should be available to avoid the need for a formal homelessness application. This prevention and alternative options approach can, where successfully introduced, significantly reduce the number of households being considered through the traditional homelessness route. A new Best Value performance indicator (BVPI) was introduced last year to monitor the success of Councils' homelessness prevention services.

- 2.4 Successful prevention and options work has two main benefits. Firstly, it minimises the harmful social and economic impact felt by households experiencing homelessness. Secondly, a reduction in the number of households experiencing homelessness and requiring placement in temporary accommodation can result in budget savings by the Council. This is primarily achieved through introducing initiatives which may have a cost attached but will ultimately achieve an overall saving in the Council's temporary accommodation and bad debt provision budgets.
- 2.5 There are a range of ingredients that each Council should consider as a means to preventing homelessness and providing realistic housing options. These are explored in the following sections with explanations as to what actions this Council has taken and the additional initiatives it could introduce.

Housing Advice

- 2.6 Housing advice can play a crucial role in helping households retain their existing accommodation or find new tenancies where appropriate. This is achieved by all housing applicants facing the threat of homelessness having a 'housing options' interview to consider the most realistic means of resolving their housing situation. The key to this work is early interventions so that prevention work or finding alternative housing options can take place well in advance of crisis homeless situations arising.
- 2.7 A number of 'early warning' systems have been put in place to identify where homelessness may occur so that this proactive work may take place. These include: a hospital discharge protocol, a care leavers protocol, Court advocacy work for households facing possession proceedings, involvement in anti social behaviour problem solving groups, and regular liaison meetings with the housing associations managing our temporary housing stock where repeat cases of homelessness may sometimes arise.
- 2.8 The structure of the team was changed in April 2006 to reflect this change in focus of work, from four Advice Officers who gave generic housing advice and each dealt with a homelessness caseload, to three Advice and Options Officers who carry a prevention and options caseload filtering cases of actual homelessness through to one investigating officer. This new structure is in line with the national models of good practice. The first half of 2006/07 has seen a 34% reduction in the number of homelessness acceptances compared to the same period in the previous year. This can be attributed to a combination of a lower number of households threatened with homelessness approaching the Council and the success of the

prevention and options work. This work will continue to be monitored via the quarterly homelessness returns completed for the DCLG and the new BVPI on homelessness prevention.

Private Sector Rent Deposit & Related Schemes

- 2.9 Given that demand for social rented housing far outstrips the level of supply in many areas Councils are increasingly looking at the private sector as a means of meeting housing needs. The proactive work with households investigates whether accessing a private sector tenancy is a realistic option. This does however require a change in expectation of the majority of customers who approach the Council for help. The expectation is to be offered a social rented tenancy whereas the reality is that only a small number of households in need will be assisted through this route. Changing customers' expectations, so that private sector tenancies are seen as a genuine solution to resolving housing needs, is one of the main barriers to successful options work, together with being able to deliver realistic options.
- 2.10 Good practice suggests that all Councils should operate a Rent Deposit and/or Rent In Advance scheme to help customers with the significant up front costs of taking on a private tenancy. The Council has operated such a scheme for a number of years via either a bond to a landlord or a loan to the customer, paid direct to the landlord, to cover the cost of a deposit and a months rent in advance. This scheme plays the most significant role in our options casework. As the options work has increased the number of loans issued has increased from 38 in 2004/05 to 65 in 2005/06 to 38 in the first half of 2006/07.
- 2.11 Although this scheme has been successful in contributing to a reduction in homelessness by helping households access private sector tenancies, the extent of its success is limited by the number of private landlords or agents willing to work with the Council's customers. There has been an increase in the number of landlords willing to offer tenancies to households assisted under the Rent Deposit scheme but this is still not on the scale required to have a significant impact on reducing homelessness.
- 2.12 The majority of customers faced with homelessness are either wholly or partially reliant on Housing Benefit (HB) to help pay their rent. Many landlords and agents are reluctant to offer tenancies to households claiming HB. Research was carried out with our Landlords' Forum and the local agents and the main reasons they have given are:
- HB is paid in arrears rather than advance;
 - HB is not paid in calendar month periods which makes it more difficult for them to reconcile with their own accounts;
 - HB overpayments made direct to the agent/landlord as a result of an applicant not advising the Council of a change in their circumstances are reclaimed against the agent/landlord rather than the HB applicant; and
 - Landlords/agents often have several customers interested in each vacant property so there is no need to take a household with the added complication of a HB claim when they can let the property to someone who is able to pay the rent from their earned income.

- 2.13 The Council has therefore raised these issue with the DCLG. They advise that Councils in other areas of the country that have similar problems engaging with private landlords have introduced further financial incentives to encourage private landlords to accept HB claimants and so help with the prevention of homelessness. These incentives include:
- (i) Non-refundable 'finders fees' paid by the Council to a landlord offering a tenancy to help prevent homelessness, in addition to the Rent Deposit and/or rent in advance. The Council introduced a refundable payment of £500 in 2005/06. This did not encourage any additional landlords to offer tenancies and so the concept of non-refundable payments now needs to be considered. Negotiations would need to take place with landlords to establish what level of fee would be required to encourage them to offer a tenancy to a household in receipt of HB.
 - (ii) Payments for insurance policies to cover lost rental income or damage to the property. Some Councils offer to cover the cost of these policies for 12 months. Costs are usually 3 to 4% of the annual rental income of the property.
- 2.14 A further possible initiative is the extension of the private sector leasing agreement with King Street Housing Society (KSHS). This scheme currently takes properties on long term leases from private landlords and sub lets them as temporary housing to homeless household awaiting a permanent offer via the Register. It is recommended that this leasing agreement be extended to provide permanent homes to households increasing the number of properties available to households threatened with homeless and so contributing to the homelessness prevention agenda.
- 2.15 The cost-effectiveness of these additional initiatives will depend upon:
- (i) the level of financial incentive required per household to assist them into a private tenancy with a private landlord. Some Councils build this into a Homeless Prevention Fund policy framework that allows officers to negotiate with landlords on a case by case basis up to a maximum set amount. The purpose of the incentive is to encourage a landlord who would not otherwise offer a tenancy to a homeless household. A flexible scheme that allows negotiation on case by case basis therefore allows funds to be best targeted rather than applying a blanket policy that may provide payments to landlords who would be willing to offer a tenancy without an additional incentive;
 - (ii) the rent levels negotiated by KSHS under their lease agreement. The initiative to provide permanent homes under this agreement will be more effective where KSHS's management fee can be built into the rent level that is then charged to the tenant. This rent level would still have to remain affordable for the tenant and be within the HB maximum rent levels. It is recommended that properties are not taken on under this agreement unless this is possible.

- (iii) The willingness of landlords to accept lower rent levels than could otherwise be achieved by them for the benefit of a managed property with potentially longer security of rent streams.

Mediation

- 2.16 Eviction from a relative's home is one of the largest causes of homelessness both nationally and in this district (just under a third of all accepted homeless cases in Huntingdonshire in the last two years have been because of this reason). As a result of this many Councils have introduced mediation services to help overcome the difficulties that have led to the relative taking action to evict. This can include reconciliation to either help the person remain at home indefinitely, or overcome the crisis situation that has led to the threat of eviction so that a planned move to alternative housing can be made. This will then involve the options work coming into play to help that person into other accommodation so as to avoid homelessness.
- 2.17 Mediation services tend to be targeted at young people as these are one of the most vulnerable client groups and the Council would otherwise have a duty to assist them under the homelessness legislation. The Council has established a mediation service via the Cambridge and District Mediation Service specifically for young people funded through a DCLG Homelessness Grant. Due to a relatively low number of referrals, primarily due to unwillingness on the parent's behalf to engage with the service, the mediation service has been linked into the Safer Moves project at Paines Mill Foyer. Every single young person threatened with homelessness is now referred to this service for mediation and other support services are provided via the project staff at the Foyer. The success of mediation as part of this service will be monitored and evaluated after a trial period.

Domestic Violence Support

- 2.18 For the last two years approximately 10% of homelessness in the district was as a result of domestic violence. In terms of homelessness prevention, the Council is able to give general advice on the steps that a person may take through the Courts in order to protect them and their housing rights following a relationship breakdown because of violence. However, a victim of domestic violence may not feel safe enough to remain in their own home and take these legal steps, often leading to frequent moves in an attempt to escape the perpetrator of the violence.
- 2.19 Each Council is now expected to establish a scheme that provides a number of security measures in the person's home that enables them to feel safe enough to remain there, preventing their homelessness. These are termed sanctuary style schemes as one of the features they provide is a safe room within the property where a victim of violence may call the emergency services from. A new BVPI was introduced in 2005/06 that required each Council to report on its activities relating to tackling domestic violence. This indicator includes reporting on whether a sanctuary style scheme has been established.
- 2.20 The Council established such a scheme in April 2006, in partnership with the other Cambridgeshire authorities, the Police, the Fire Service and County Council. The security works for suitable customers are funded

via a Community Safety Partnership grant. The success of the scheme will be evaluated after 12 months.

Ex-offenders

- 2.21 Research evidence shows that ex-offenders leaving prison are at a relatively high risk of homelessness and one study showed that fewer than half were able to return to their previous home upon discharge. Research also shows links between the lack of accommodation and offending which also leads to repeat offending and a revolving door syndrome for a number of prolific offenders. In many cases this is also often tied into drug and alcohol misuse issues.
- 2.22 Good practice models suggest that housing advice and assistance targeted at ex-offenders due for release can help combat homelessness amongst this client group with the added benefits of addressing re-offending rates and even substance misuse issues when combined with treatment and rehabilitation services. One way of implementing this is to introduce prison-based homelessness prevention actions, which in some areas includes Advice and Options Officers going into prisons to provide advice and possible assistance.
- 2.23 The Probation Service employs an Accommodation Officer to fulfil this role. The Accommodation Officer has good links to the Advice and Options team and refers clients who may require advice and assistance. The Council receives referrals through this route although only a comparatively small number.
- 2.24 In recognition that those ex-offenders with a drug misuse issue have the most problematic issues to address a partnership has been established with the Probation Service, Cambridgeshire Drugs Intervention Programme (CDIP), the Police, and Luminus Homes. An operational panel considers referrals from a Resettlement and Tenancy Support worker who is funded via Supporting People and CDIP grant funding. This panel considers the appropriateness of the client in terms of the benefit they will receive from the combination of treatment and tenancy support services offered through the partnership. Accommodation is provided where appropriate by Luminus Homes or by accessing a private sector tenancy secured with CDIP funding to underwrite any losses for the landlord. The scheme is dependent on the CDIP funding remaining available to support this post, although due to the nature of this funding, its continuation cannot be guaranteed.

Tenancy Sustainment

- 2.25 Tenancy sustainment services provide support to help households retain their tenancies. This can be aimed at households needing help when they first move into a new tenancy or when problems arise in an ongoing tenancy and action and assistance is needed to make sure that the tenancy is not ended.
- 2.26 These types of services tend to be provided as part of the landlord function and a number of housing associations in this area have such support services to which referrals can be made to. All these services are predominately funded by Supporting People grant and a research exercise has been commissioned by the Supporting People partnership

to consider the benefits of tenancy sustainment. This research will influence decisions within the Supporting People framework as to whether tenancy sustainment services are the preferred priority for meeting the objectives of the partnership. As the principle of maintaining households in their own home contributes to homelessness prevention, positive funding decisions in this area will have the knock on benefit of helping achieve the Council's targets of homelessness prevention.

3. CONCLUSIONS

3.1 The Council has already adopted a number of the good practice models and initiatives and embraced the shift in ethos to one of homelessness prevention and housing options. This is already starting to result in a reduction in the number of acceptances through the traditional homelessness route and a direct increase in the prevention and options casework of the team.

3.2 Successful prevention and options work:

- (i) minimises the harmful social and economic felt by households experiencing homelessness;
- (ii) achieves savings on the cost of placing homeless households in temporary accommodation;
- (iii) contributes to an improved performance in the raft of BVPIs that monitor the Council's homelessness outputs and outcomes;
- (iv) contributes to statutory targets relating to the use of bed and breakfast accommodation; and
- (v) contributes to the government target of reducing the number of households in temporary accommodation by half by 2010.

3.3 To further improve performance in this area the Council must improve the ease by which customers threatened with homelessness can access private sector tenancies. This should be achieved by:

- (i) Introducing the payment of financial incentives to private landlords and agents where they are willing to offer a tenancy to a household preventing their homelessness. This should be incorporated into a wider Homelessness Prevention Fund policy framework that allows officers the flexibility to make small payments in a variety of pre-determined situations to prevent homelessness.
- (ii) Extending the private sector lease agreement with KSHS to include the option of providing permanent homes under this agreement, within existing budgets, to contribute to the prevention of homelessness.

3.4 It is expected that the reimbursement from Defra in connection with the remedial works at the Mobile Home Park will meet some staffing costs already included in the revenue budget. This would create a surplus that could be used to pilot the effectiveness of a 'Prevention Fund'.

4. RECOMMENDATIONS

4.1 That Cabinet:

- a) note the initiatives already introduced;
- b) authorise:
 - (i) additional incentives to private landlords and agents;
 - (ii) a Homeless Prevention Fund policy framework; and
 - (iii) an extension of the private sector lease agreement with KSHS to provide permanent homes.

BACKGROUND INFORMATION

Homelessness Prevention A Good Practice Guide – DCLG 2006
Private Sector Lease Scheme – Cabinet reports 15/503 & 27/5/04

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Homelessness Prevention & Housing Options Report

Chart 1 – Number Of Homelessness Applications and Number Of Those That Were Accepted As Statutorily Homeless – 1999/2000 to 05/06.

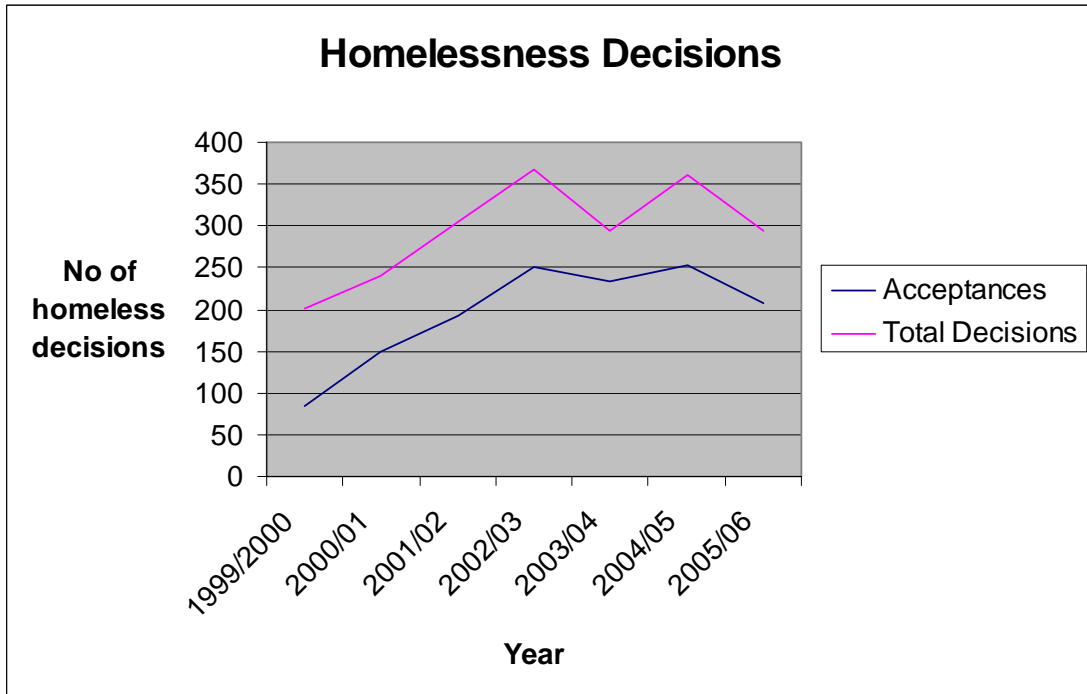


Chart 2 – Number Of Households In Temporary Accommodation At The End Of Each Quarter – June 04 to September 06

