

<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE: SPECIAL - BUDGET</b>	<b>AGENDA ITEM: 5</b>
<b>DATE OF MEETING:</b>	<b>11<sup>th</sup> JANUARY 2018</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>INTERIM STRATEGIC DIRECTOR</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>EILEEN JACKSON – STRATEGIC HOUSING MANAGER 01283 595763 <a href="mailto:Eileen.Jackson@south-derbys.gov.uk">Eileen.Jackson@south- derbys.gov.uk</a></b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>IMPLICATIONS OF THE HOMELESSNESS REDUCTION ACT 2017</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE:</b>

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## **1.0 Recommendations**

- 1.1 That following approval at Housing and Community Services Committee on 5.10.2017, Members note the content of this report and the proposed amendments to the delivery of the Council's front line statutory homeless service.
- 1.2 That approval is granted for the Strategic Director to agree the use of the Flexible Support Grant, the DCLG grant allocation and homeless prevention budget to deliver the Act and its associated enhanced prevention services and review functions.
- 1.3 That within the £25k received (since the October Housing and Community Services Committee in December 2017) from the DCLG New Burdens funding, £15k is ring fenced to provide rent deposits and or rent in advance to people who are homeless or threatened with homelessness in order to secure accommodation in the private rented sector. The payments will be repayable back to the Council over the initial 12 months of the tenancy. This scheme will provide Officers with an additional prevention tool to assist homeless households.

## **2.0 Purpose of Report**

- 2.1 This report provides an update to Members on the implications of the Homeless Reduction Act 2017 and seeks approval to utilise the Flexible Support Grant allocation and future DCLG New Burdens funding to re-align the front line

homelessness service provision to meet the new legislative requirements from next April.

### **3.0 Executive Summary**

- 3.1 The Council's Housing Options Service provide assistance to homeless households under part 7 of the 1996 Housing Act (as amended by Homelessness Act 2002). In April next year, the service will come under increased pressure when the requirements of the 2017 Homelessness Reduction Act are introduced and the way the Council provides its front line services to homeless households needs to change.
- 3.2 Back in April 2017 the Council received an allocation of over £85k in Flexible Support Grant from the DCLG (this replaced the previous Temporary Accommodation Management Funding). In addition, the Council will receive an allocation of 'New Burdens' Funding from the £61m total DCLG allocation, the government are currently deciding the fairest methodology for calculating each local authorities payment. These additional resources are to be utilised to fund the prevention of homelessness and to mitigate the financial impact on the Council caused by the additional requirements of the Act.
- 3.3 The Council are already preparing for the changes and staff have attended training on how to prepare for the Act and are also delivering training to the Homeless Forum in October so that partner agencies and the voluntary sector are also prepared for the changes. In preparation for the changes to service delivery, an action plan has been compiled to provide officers with a task focussed timeline over the next 6 months (see Appendix A). Approval of the recommendations contained in this report would allow the Strategic Director to utilise the allocated funding to re-shape the front line service delivery to ensure the Council's statutory obligations towards homeless households continue to be met post April 2018. The appointment of additional staff within the housing options team will be reviewed and amended where necessary to reflect the evolving needs of the service which cannot be predicted at this stage, the Strategic Director will therefore need the flexibility to make recruitment decisions based on service demands which may change during the first two years of the Act's implementation.

### **4.0 Background / Detail**

- 4.1 The new Homelessness Reduction Act 2017, originated as a private Members Bill, tabled by Conservative back bencher Bob Blackman, has been widely supported by Ministers and homeless charities and focuses on the need for increased prevention of homelessness.
- 4.2 The Act gained Royal Assent on 27<sup>th</sup> April 2017, much sooner than originally predicted so many local authorities are having to react to the required changes sooner than they had planned to.

- 4.3 A revised code of guidance will be published in Autumn in conjunction with the New Burdens funding allocation and will cover the policy amendments. The Act will also be accompanied by a new code of practice in addition to the published guidance.
- 4.4 In response to the legislative changes below, the Strategic Director will need the autonomy to approve the appointment of any additional staffing resources, the funding of new prevention initiatives and the introduction of any new IT / self-help products associated with the enhanced service provision.
- 4.5 During 2016/17, the Council's housing options service dealt with 567 approaches for assistance and investigated 168 applications under the current Homelessness legislation. It is predicted that approaches for assistance are likely to rise by around 50% as non-priority need applicants will be owed a prevention duty under the revised legislation. This significant increase in caseload will require additional resources both in terms of staffing and new initiatives that specifically tackle and prevent the root causes of homelessness in the district.
- 4.6 The changes to front line service delivery will need to be in place by 1st April 2018 to ensure South Derbyshire District Council remains compliant with all Homelessness legislation.
- 4.7 The main changes required as a result of the amended legislation are summarised below:
- The requirement for each homeless household to have a personal housing plan - whilst penalty can be incurred for non-cooperation, this is an extension of the duty to provide advice and assistance where Local Authorities need to compile individual housing plans for each homeless household to effectively provide a pathway out of homelessness.
  - Local Authorities to try to prevent homelessness or find alternative accommodation for all homeless applicants irrespective of whether they have a priority need or the Council have a statutory duty to accommodate them.
  - The changes to the meaning of homelessness – The 1996 Housing Act has been amended to change section 175 relating to when an applicant is owed a statutory duty, this duty currently starts when an applicant is threatened with homelessness within 28 days but under the new legislation this has now increased to 56 days. This will give local authorities longer to work with the applicants and prevent the crisis or cause of losing their home.
  - An increased number of reviews to be dealt with as applicants will have a right to review at each stage of the process under the new duties.

- A significant increase in administration and paperwork for homeless teams as individual housing plans are devised and new letters are compiled and sent out during each stage of the process.
- Changes relating to the loss of an assured shorthold or periodic tenancy – applicants will now be deemed homeless from the date of expiry of the notice and not have to wait until the landlord executes the warrant.
- Specified public authorities will have a duty to refer to the Local Housing Authority if they think they may be homeless or at risk of homelessness (with applicants consent).

4.8 In addition to the recommendations above, the Council should pro-actively consider the longer term strategic tasks that would make delivery of the new responsibilities easier when considering the escalating numbers of households approaching during recent years and the reasons behind the increasingly complex needs of homeless people in addition to their lack of housing. The following strategic actions should therefore be considered by the Council, in conjunction with the preparations for changes in front line service delivery;

- Establish better links with private sector landlords to deliver support to young people's housing in shared accommodation in the private sector.
- Amendments of Choice Based lettings policy as the definition of 'reasonable preference categories' change.
- Deliver / enable delivery and seek new supply of accommodation suitable for single people under 35 that will be available within Local Housing Allowance rates (single room rate).
- Ensure new performance monitoring arrangements are in place to reflect the new measures and the revised data collation requirements.

4.9 Finally, the Council need to work strategically with other neighbouring authorities and across the County to ensure funding opportunities are maximised and good practice, ideas and protocols are shared and implemented consistently across geographical boundaries.

## **5.0 Financial Implications**

5.1 It is the government's intention that, any revenue costs incurred with implementation of new ways of working will be met entirely by the grant allocations and there will be no impact on the Council's General Fund or HRA in relation to the initial recruitment and enhanced services provided.

5.2 The new legislation will lead to an increase in demand for the Council's housing options service which may lead to increased costs in the future beyond the scope of the two year DCLG funding allocations.

- 5.3 The Flexible Homelessness Support Grant is ring-fenced for three years and our allocation of £85,117 has been received from DCLG for 2017/18. We are to receive £90,506 in 2018/19 but have had no confirmation regarding the allocation for 2019/20.
- 5.4 New Burdens Funding is also due to the Council during 2017/18 but it has not yet been announced how much our allocation is likely to be.
- 5.5 Derbyshire County Council has committed to fund £62k in 2017/18 and 2018/19 through their second homes programme. This was reported to Members in June 2017 and will fund a Housing Options Officer (£27k) and homeless support to young people with complex needs (£35k). This income has been received in 2017/18.
- 5.6 The risks to the Council associated with not preparing for the changes in legislation have been summarised below;
- Insufficient capacity within the team to deal with reactive demands leading to non-compliance of the local authority's statutory obligations towards homeless households in the district.
  - Increased levels of reviews and possible judicial reviews if failure to comply or make homeless decisions within required timescales.
  - Increased spend on bed and breakfast accommodation as decisions are delayed due to workload.
  - Reduced levels of practical assistance and time spent on each homeless household as caseload increases.

## **6.0 Corporate Implications**

- 6.1 The content of this report has a direct positive impact on the Council's commitment to;

“Protect and help support the most vulnerable, including those affected by financial challenges” outlined within the People theme of the Corporate Plan

The impact of the changes will enable the Council's front line services to deal with the increase caseload (expected to increase by 50%) and ensure that specific prevention initiatives are in place to assist the additional non-priority need applicants to whom a prevention duty is owed.

- 6.2 The Homelessness Reduction Act amends Part 7 of the 1996 Housing Act and from April 2018, local authorities will have to work to the requirements of the new legislation. South Derbyshire District Council needs to ensure that the front line staffing structure is prepared and financially resourced to deal with the increased number of applicants and reviews to meet its statutory obligations and duties towards homeless households in the district.

- 6.3 Additional staff will be required within the shared service to deal with the extra prevention duties and increased numbers of reviews. Due to the short term nature of the funding arrangements, the additional post may need to be recruited on a fixed term basis until end March 2019.
- 6.4 Staff within the Housing Options team will be consulted and kept informed of any changes with regards to their service area.

## **7.0 Community Implications**

- 7.1 The Impact of the implementation of the Homelessness Reduction Act will have a wide scale positive impact on communities within the district as households without priority need status will be owed a prevention duty and will benefit from a personalised housing plan. It is envisaged that through early intervention and an increase in prevention activity, homeless households will avoid the traumatic and costly experience of being placed in interim temporary accommodation that can have a detrimental effect on families both in the short and longer term.

## **8.0 Background Papers**

- 8.1 Letter from Marcus Jones MP (Minister for Local Government – DCLG) outlining timescales for funding and guidance publication.

## APPENDIX A

### Homelessness Reduction Act – Tasks to be completed prior to April 2018 implementation

Task	Timescale	Who is involved	Budget implications
Deliver training session to Homeless Forum members and develop joint protocols for new areas of working to assist non-priority need applicants	October 2017 February 2017	Ann Mills NPSS staff Andy Gale Training for all Housing Options Staff	Within existing resources
Improve and review our corporate self-help advice and resources available on the Council's website	January 2017	Corporate Communications Team	Within existing resources
Design / test templates for new personalised housing plans	December 2017	Housing Operations Staff	Within existing resources
Review and implement new structure within the housing options team	January 2017	Eileen Jackson Ann Mills	Flexible Support grant / New burdens / existing prevention budget
Ensure IT in place to deliver new working practices and collate the required performance data from April 2018	March 2017	Eileen Jackson Ann Mills	New burdens funding (DCLG grant)
Update Scrutiny panel about new front line service delivery and increased activity prior to changes being implemented	January 2018	Eileen Jackson Ann Mills	Within existing resources
Establish new schemes for rent in advance and rent deposit to assist with new prevention duties	February 2018	Ann Mills Corporate Communications Team	New burdens funding (DCLG grant)

Liaise with private landlords to develop new initiatives that focus on people losing their homes through S21 notices	March 2018	Ann Mills New post within structure	Flexible support grant (ring fenced DCLG grant)
Investigate the potential to deliver a range of new prevention activity based on identified need and established good practice across the county that could be replicated at SDDC	February 2018	Eileen Jackson Ann Mills	Within existing resources
Work with private landlords to gauge if private sector leasing / discharging duty within the private sector could be considered	March / April 2018	Eileen Jackson Ann Mills / Private sector team	Within existing resources until cost is established
Work with registered providers and stakeholders who will be the referring agents post April 2018 to ensure referral mechanisms are understood and in place prior to the legislative changes	January 2018	Ann Mills New post within structure	Within existing resources