

Health and Wellbeing Board Meeting

Item Title – Homeless Reduction Act 2018

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SUMMARY:

In June 2016 MP Bob Blackman submitted a private members bill to parliament, having previously been approached by the homelessness charity Crisis. The bill received cross-party support and following its passage through parliament, the Homelessness Reduction Act received Royal Assent on 27th April 2017 and came into force on the 3rd April 2018. It is the most significant shake up of England's homelessness legislation in 40 years, with a substantial number of new duties being implemented. The ethos of the Act is to transform the help councils are expected to provide to all homeless people and provide support to people who aren't entitled to help under the current system.

Key changes include:

- An extension of the period during which an authority should treat someone as threatened with homelessness from 28 to 56 days;
- A new duty to prevent homelessness for all applicants threatened with homelessness, regardless of priority need (Prevention Duty);
- A duty to assess and agree a personalised housing plan for all clients;
- A duty to relieve homelessness for all homelessness applicants regardless of priority need (Relief Duty);
- A new duty on public services to notify a local authority if they come into contact with someone they think may be homeless or at risk of becoming homeless (Duty to Refer);
- A stronger duty to provide advisory services to all and to provide specific advice and information for particular groups of clients (Duty to Provide Advisory Services);
- A duty to help to secure accommodation (Accommodation Duty);
- Local Connection for Care Leavers.

To date the act has seen a significant increase in workload for all officers due to an increase in the number of clients presenting as having a housing need (and at an earlier point in their housing journey), an increase in the length of time to interview and the ongoing reviewing of Personalised Housing Plans for all open cases. The experience in Wales (who implemented similar legislation 2 years before) has indicated that an officer's workload will increase by at least 50%. Further to this, there is likely to be an increase in the number of clients requiring emergency accommodation.

The Secretary of State for Communities and Local Government has issued a draft Code of guidance to local authorities. In accordance with the Act, housing authorities and social services authorities in England are required to have regard to the guidance when exercising their functions relating to homelessness and the prevention of homelessness. The concept and ethos of this Act, along with the positive approach to prevent homelessness by working closer with clients and partners is strongly welcomed within the Housing sector.

HISTORIC AND CURRENT DEMAND:

The table below shows data on the number of clients who have presented as requiring advice and assistance or required a homeless application to be taken over the past 5 years. There has been movement in these figures, but overall they have remained fairly static over the time.

	2012/13	2013/14	2014/15	2015/16	2016/17
Number of clients presenting as in need of advice & assistance	2612	3354	2853	2262	2679
Number of clients presenting as homeless (ie, an application was taken)	909	905	1209	1099	1031
Total number of cases per annum	3521	4259	4062	3361	3710

Homeless acceptances in Shropshire have remained well below the national average of 52% of all cases accepted as statutorily homeless. However, the table below clearly demonstrates a significant increase in the proportion of statutorily homeless cases accepted as being in priority need due to physical or mental ill health in the last two financial years, and therefore an increase in those to whom we have a duty. This increase coincides with the Lord Neuberger case law changes to Priority Need Assessments in July 2015 (implemented in Shropshire from October 2015).

The table also shows a significant yearly increase in the proportion of single person households being accepted as statutorily homeless and therefore to whom we have a duty to accommodate. This is likely to be related to recent welfare reform changes e.g. increased age limit for Local Housing Allowance single room rate. The increase in one person households shows a rapidly increasing need for single occupancy housing solutions as often the only immediate options available are expensive B&B placements or an under occupying of Temporary Accommodation Units.

		2014/15	2015/16	2016/17	2017/18 (3 q's)
Total decisions		1062	992	903	727
Of which:	Total accepted as statutorily homeless	243 (23%)	272 (27%)	264 (29%)	249 (34%)
Of which Priority Need reason:	Vulnerable due to physical disability	26 (11%)	32 (12%)	42 (16%)	52 (21%)
	Vulnerable due to mental illness or handicap	30 (12%)	25 (9%)	37 (14%)	37 (15%)
Of which one person households:		66 (27%)	80 (29%)	97 (37%)	105 (42%)

The Homeless Reduction Act removes the Priority Need consideration in relation to both the 'Duty to Prevent' and the 'Duty to Relieve' meaning Local Authorities must take reasonable steps to help all homeless eligible applicants to prevent or relieve homelessness for 56 days (112 days) by helping them to secure accommodation. The Homeless Reduction Act specifies the requirement of 'reasonable steps' and therefore the advice and assistance now required and the way in which it needs to be provided. This will significantly increase the numbers of households who will remain as active and open cases to officers. For example, the table below shows the number of Homeless Decisions relating to 'No Priority Need' over the past 5 years. Although at present we do provide advice and assistance to this households, these clients will now remain open to the team until they are rehoused.

	2012/13	2013/14	2014/15	2015/16	2016/17
Number of clients determined as being 'No Priority Need'	282	261	467	395	359

Housing Services have seen a significant increase in the number of clients requiring temporary accommodation. Due to the lack of suitable and available temporary accommodation units there has been an increase in the need to utilise B&B accommodation. The table below shows the increase over the past 8 years.

Snapshot as of 31 st March	Total Households	Total People
2010	73	148
2011	75	166
2012	78	191
2013	61	120
2014	62	116
2015	79	173
2016	84	155
2017	90	163
2018	131	241

IMPACT AND IMPLICATIONS:

As a service, we currently work hard to prevent or relieve homelessness for all who present with a housing need. A similar version of the Act has already been in force in Wales for approximately 18 months and much of the data relating to the impact of the Act is taken from the experience of Wales due to the Act only being in place for 3 months in England.

To date, the changes have significantly increased the workload of the Housing Options and HomePoint Teams due to:

- A wider target audience;
- Longer timescales in order to prevent or relieve homelessness;
- Preparation of the personalised housing plans;
- Case management with the client;
- Support with the client;
- More liaison with public bodies regarding resolutions to allow people to remain in their homes;
- Reviews of personalised housing plans that will need to take place with each client.

The entire ethos of how homelessness advice is provided has changed. Officers will no longer be expected to focus on whether the authority has a duty to assist a client due to them having a priority need, not being homeless intentionally and having a local connection. Instead the Homelessness Reduction Act focuses on taking reasonable steps to provide advice and assistance to all who present as having a housing need.

It is proposed to utilise 3 sources of funding (see below) to implement the Homelessness Reduction Act and meet the new statutory duties. At this stage it is not known what the true resource implications will be as the Act has only been in place for 3 months. A number of new posts are in the process of being recruited as well as a restructure of the team to include a triage function.

A key initiative to help meet the additional duties of the Homeless Reduction Act will be the development of the private rented sector in Shropshire. Currently we are heavily reliant on the social rented sector, even though this only makes up 14% of the entire Housing market. It is imperative we are able to develop other options. Our aim to be able to offer landlords something different to either Shropshire Housing Alliance or estate agents and therefore assist them to assist us. The increase in clients coming through the door is likely to increase the numbers requiring temporary accommodation and spend in this area. The development of the private rented sector will allow us to rehouse people more quickly as we are not having to wait for vacancies in social housing stock.

There is likely to be an increase in the use of temporary accommodation leading to an increase in the budget spent on this resource. Given the limited number of temporary accommodation options in the County, it is likely that the use of B&B will increase. With limited availability of placements within social housing we will need to look at all housing options, specifically the private rented market to meet both the prevention and relief duties. The Act allows us, when in either of these stages, to discharge our duty to anyone who is being accommodated in suitable accommodation for 6 months or more. In effect we will no longer be reliant on assisting clients through a diminishing resource of social housing and can in fact use all options available to us. It needs to be noted that if households are unable to be rehoused via the prevention or relief stages they will move into the main housing duty where the current restrictions on discharge of duty apply.

FUNDING:

Housing Services currently receive a Homelessness Prevention Grant from Central Government. The Council uses a large part of this for base line staffing costs within the team, leaving the remaining amount available for prevention initiatives.

	2016/17	2017/18	2018/19	2019/20
Homelessness Prevention Grant	£309,522	£310,046	£311,009	£312,565

Whilst the government has announced a New Burdens fund specifically meant to fund the additional demands of the Homelessness Reduction Act, this is limited and will not adequately cover the expected additional costs that the Homelessness Reduction Act will occur. This funding is for a 2 year period only and will end after 2019. The suggestion from government is that within this time scale the changes brought about by the Act will provide cost savings to Local Authorities, meaning the cost of the service will not need ongoing additional funding however this has not proven to be the case in Wales.

	2016/17	2017/18	2018/19	Total
New Burdens Funding	£67,556	£61,881	£88,040	£217,477

The new Flexible Homelessness Support Grant replaces the old Temporary Accommodation Management Fee. Prior to the change the monies could only be used when someone was already homeless rather than preventing the homelessness in the first place. This new grant provides councils with the freedom to support the full range of homelessness services to help prevent homelessness in the county. Below are the allocations for the 2 known financial years, although it needs to be noted that part of this funding is required to meet the costs of the temporary accommodation management fee which at present equates to approx £200,000 of the annual budget. But with increasing need for more temporary accommodation units the amount required is likely to increase, leaving less available funding for use on preventative initiatives.

	2017/18	2018/19
Flexible Homelessness Support Grant	£307,317.22	£336,856.97

In essence the only new and available funding to assist with the Homeless Reduction Act is the New Burdens Funding equating to £217,477 over the period of 2 years. This funding has been provided to help us meet the costs of additional staffing, increase in preventative options, new IT systems as well as the overall restructure and admin resources brought about by the changes. We are also utilising the Homeless Prevention Grant and Flexible Homelessness Support Grant towards additional staffing but must ensure we have available funding for preventative initiatives as well as the increased costs of temporary accommodation. Further to this, we need to be aware that staffing funded via these routes need to be on 2 fixed term contracts due to the funding ceasing in 2019. Fixed term contracts bring their own issues with any fixed term contracts over 2 years could incur a redundancy cost if the person was unable to be redeployed or was not returning to a substantive post if seconded.

The full service roll out of Universal Credit introduced in Shropshire in May 2018 is also likely to exacerbate the difficulties associated with homelessness and housing advice provision due to the risk that more landlords will refuse to take households on benefits. This is because the housing element of Universal Credit will be paid directly to the tenant as well as more people waiting for significant lengths of time for their benefits to be paid, resulting in them getting into rent arrears. We work closely with the Welfare Reform team and have a dedicated officer within our service. This close work will continue and we will determine the needs of the service as this progresses.

RECOMMENDATIONS

This report is being distributed for information only. Therefore, the HWBB is requested to note the Homelessness Reduction Act, specifically in regard to the duty to refer coming into force in October 2018. There will also be an impact on applicants and referring agencies who are used to the way in which homelessness is provided throughout England. There is a need to communicate and publicise the changes and the impact this will have in regard to a client's expectations. In short, social housing cannot be seen as the only way to meet a client's housing need.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)
Cabinet Member (Portfolio Holder) Lee Chapman
Local Member n/a – relevant to whole County
Appendices Appendix A - Additional Information On The Main Changes Brought About By The Act:

APPENDIX A

ADDITIONAL INFORMATION ON THE MAIN CHANGES BROUGHT ABOUT BY THE ACT:

This section summarises the main changes brought in by the Act. The 13 clauses brought in by the Act are listed with specific detail relating to the significant changes below.

Clause 1: Homeless & threatened with homelessness

Clause 2: Duty to provide advice

Clause 3: Personal Housing Plan

Clause 4: Prevention Duty

Clause 5: Relief Duty

Clause 6: Duty to help secure accommodation

Clause 7: Refusal to co-operate

Clause 8: Local connection of a care leaver

Clause 9: Reviews (s.202)

Clause 10: Duty of public bodies to refer

Clause 11: Code of Practice

Clause 12: Suitability of PRS accommodation

Definition of Homelessness and Threatened with Homelessness

Being homeless or being threatened with homelessness means more than being street homeless. To qualify for help, you must be classed as being legally homeless. Examples of this are:

- You have been evicted from your home – whether that be a property where you have a tenancy or somewhere you live with your parents or friends;
- You have had to leave due to violence, harassment or threat of either;
- You cannot stay due to a fire, flood or other emergency;
- You are sleeping on the street;
- You will lose your home within 28 days (eg, you have been told to leave by a date in the future);
- You have been asked to leave somewhere temporary (such as a friend's house).

The Homelessness Reduction Act extends the period during which a local housing authority should treat someone as threatened with homelessness. Currently an application can only be taken 28 days before the date someone is due to be homeless. From the 3rd April this extends to 56 days, meaning Local Authorities will be picking up those at risk of homelessness at a much earlier point.

The Homeless Reduction Act also expands and sets out the actions local housing authorities should take when someone applies for housing assistance, having been served with a notice to end an assured shorthold tenancy. Within clause 1 there is now clarification that a valid section 21 notice that expires within 56 days also constitutes being ‘threatened with homelessness’.

A Duty to Provide Advice, Assessments and Personalised Housing Plans

The Homelessness Reduction Act strengthens and extends the general advice duty, requiring the local housing authority to design a service that meets the information and advice needs of certain groups at risk of homelessness, these include:

- Persons released from prison or youth detention;
- Care leavers;
- 16/17 year old homeless cases;
- Former members of the armed forces;
- Person’s leaving hospital;

- Victims of domestic abuse;
- Persons suffering mental illness;
- Any other groups identified as a particular risk of homelessness within the Authorities area.

Housing authorities will have a duty to carry out an assessment in all cases where an eligible applicant is homeless or threatened with homelessness. The duty regarding whether someone is homeless or threatened with homelessness will seek to identify the cause of homelessness, the housing needs of the applicant and any support requirements in order for the applicant to be able to secure and/or retain accommodation. The authority must work with all clients determined as being homeless or threatened with homelessness irrespective of priority need or intentionality status, and must be provided with a personalised housing plan which will include actions to be taken by both the authority and the applicant to try to prevent or relieve homelessness.

A Duty to Prevent

The Homelessness Reduction Act places a new duty on authorities to prevent homelessness for all eligible applicants threatened with homelessness, irrespective of priority need status or intentionality. This duty does not take into consideration local connection, and therefore anyone who presents as in housing need, whether considered as having local connection to Shropshire or not, has to be provided with the same advice and assistance.

The Act brings in new duties to those who are homeless or threatened with homelessness to:

- Carry out an assessment
- Agree and provide a personal housing plan
- Help to prevent homelessness; and
- Help to secure accommodation for all eligible applicants, regardless of priority need.

Once triggered, the prevention duty will continue for 56 days unless it is brought to an end via one of the prescribed conditions.

A Duty to Relieve

The Homelessness Reduction Act states that if the applicant is already homeless, or becomes homeless despite activity during the prevention stage, the local housing authority must take reasonable steps to help all homeless eligible applicants to relieve homelessness for 56 days by helping applicants to secure accommodation, regardless of priority need status or intentionality. If the housing authority has reason to believe a homeless applicant may be eligible for assistance and have a priority need, they must be provided with interim accommodation.

A Duty To Refer

The Homelessness Reduction Act introduces a 'duty to refer' on all public bodies. They will be required to notify a housing authority of all service users they consider may be homeless or threatened with homelessness within 56 days. Before making a referral a public authority must have consent to refer from the individual, have allowed the individual to identify the local housing authority in England which they would like the notification to be made to (ie, they do not need to have local connection to the authority they are being referred to) and have consent from the individual that their contact details can be supplied so they can receive contact from the housing authority.

This section of the Act is being delayed until October 2018 enabling us to work with our partners to put in place referral pathways and agreed points of contact, as well as awareness raising sessions and advice and assistance regarding this element of the Act. It is believed that this duty will considerably increase the referrals received by the authority at an earlier point in someone's

housing journey, as until now there has been no duty for a referral to be made by public bodies and often this is not done until it is 'too late'.

The Main Housing Duty

The main housing duty currently applies to applicants who are eligible, have a priority need for accommodation and are not intentionally homeless. The Homeless Reduction Act introduces a duty to prevent and a duty to relieve, meaning if we are unable to prevent or relieve someone's homelessness, we will then seek to determine whether the Local Authority owes the applicant a main housing duty as we do now. Under this duty we must ensure that suitable accommodation is available for the applicant and their household until the duty is brought to an end through either an offer of suitable accommodation or they are no longer eligible for assistance. This duty is comparable to existing legislation.

Priority Need

Under the Homelessness Reduction Act, housing authorities have the duty to try and prevent or relieve homelessness for all eligible applicants. However, should the authority not prevent or relieve homelessness, we must secure accommodation for applicants who have priority need.

Those in priority need are classed as the following:

- A pregnant woman or a person with whom she resides;
- A person with whom dependent children reside;
- A person aged 16/17 who is not a relevant child / child in need to whom a local authority owes a duty;
- A person under 21 (but no longer) looked after, accommodated or fostered between the ages of 16-18;
- A person aged 21 or more who is vulnerable as a result of having been looked after, accommodated or fostered;
- A person who is vulnerable as a result of:
 - old age, mental illness, handicap or physical disability or other special reason;
 - having been a member of Her Majesty's regular naval, military or air forces;
 - having served a custodial sentence, having being committed for contempt of court or any other kindred offence or having being remanded in custody.
 - ceasing to occupy accommodation because of violence or threats of violence from another person;
 - any other special reasons;
- A person who is homeless as a result of an emergency such as flood, fire or another disaster.

Suitable Accommodation

Housing authorities have duties to secure accommodation for homeless applicants either on an interim basis or to prevent or relieve homelessness. Under the Homelessness (Suitability of Accommodation) (England) Order 2003, Bed & Breakfast (B&B) accommodation is not considered suitable for families except where there is no other accommodation available, and then for only a maximum of 6 weeks. It is not considered suitable at all for those aged 16/17 unless in an emergency.

Local connection of a care leaver

The Act ensures that any care leaver who becomes homeless can choose to demonstrate a local connection to either the area of the local authority where they were looked after and owes them leaving care duties, or for a care leaver under 21 years old, an area different to that of the authority who owed them the leaving care duties, where they have lived for at least 2 years,

including some time before they were 16 years old. In essence, the aim of this section of the Act is to make it easier for care leavers to demonstrate a local connection to the area where they feel at home and would most like to settle.

Deliberate and Unreasonable Refusal to Co-operate

The Homelessness Reduction Act places a requirement on all applicants to co-operate with the Local Housing Authorities attempts to meet their prevention and/or relief duties. If the Local Housing Authority considers that an applicant has “deliberately and unreasonably refused” to cooperate or take any of the steps set out in the personalised housing plan, they can serve a notice on the applicant to notify them of their decision and ultimately can discharge their duty to assist. We will not be implementing this initially and will aim to work with all applicants who present as having a housing need. There is no current case law relating to this and there is a need to better understand what the courts will determine ‘deliberately and unreasonably refused to cooperate’ to mean in practice.