

WELWYN HATFIELD BOROUGH COUNCIL  
CABINET HOUSING PANEL - 26 JUNE 2017  
REPORT OF EXECUTIVE DIRECTOR (HOUSING AND COMMUNITY)

## **GOVERNMENT FUNDING PREVENTION OF HOMELESSNESS**

### **1 Executive Summary**

- 1.1 This report relates to the ring fenced funding the government has allocated to Welwyn Hatfield Borough Council. The new grant gives councils more control and flexibility over homelessness budgets. It forms part of the Government's approach to tackling homelessness, helping both those at risk of homelessness and those experiencing a crisis.
- 1.2 In the Autumn Statement 2015 the Government announced that the Department for Work and Pensions' (DWP) Temporary Accommodation Management Fee would be replaced by increased funding to local authorities to give them more control and flexibility to tackle homelessness.
- 1.3 On 16 March 2017, the government announced the allocations for the Department for Communities and Local Government's new Flexible Homelessness Support Grant which will replace the DWP fee from April 2017 this year. The total funding over two years is £402 million nationally.
- 1.4 In order to manage the transition to a new funding regime the government has ring-fenced the grant for two years to ensure it is spent on homelessness services. The allocation to Welwyn Hatfield Borough Council is £201,592 (2017/18) and £228,271 (2018/19).
- 1.5 The funding has been allocated according to a formula which reflects relative homeless pressures, while at the same time aiming to protect local authorities which currently use high levels of Temporary Accommodation.
- 1.6 Detailed work has been done on a series of proposed work streams/projects which have been identified as a priority for funding from this newly available sum.

### **2 Recommendation(s)**

- 2.1 That Members note the content of this report.
- 2.2 That Members recommend to Cabinet approval of the proposals set out in this report.

### 3 Financial Implication(s)

3.1 The council has been allocated £201,592 (2017/18) and indicative funding of £228,271 (2018/19)

3.2 The project proposal in this report will cost the following:

Project Proposal	Cost Year One	Cost Year Two
Tackling Rough Sleeping	£50,440	£52,000
Housing First	£86,700 (£67,500 if full recovered rents)	To be confirmed
Single Person's Housing Project	To be confirmed	To be confirmed
Preparation for Homeless Reduction act 2017 (training and resources)	£10,000	Not applicable
Enhanced Spend to Save fund	£20,000	£20,000
Enhanced Incentives for accessing Private Rented Accommodation	£20,000	£20,000
Total Estimate	£187,140 (£167,940)	£92,000

3.3 Whilst this report sets out the proposals for utilising new grant funding, the government has removed the temporary accommodation management fee and so this is no longer available to councils which will have a negative financial impact.

3.4 The council's standard temporary accommodation charge is below the temporary accommodation ceiling for housing benefit and therefore the council has not been utilising the temporary accommodation management fee to date for these properties.

3.5 When the council has had to place applicants out of area within bed and breakfast accommodation the temporary accommodation management fee is utilised, but this is for only a small number of cases.

3.6 On that basis the removal of the temporary accommodation management fee has had a very small adverse financial impact.

### 4 Link to Corporate Priorities

4.1 I confirm that the subject of this report is linked to the Council's Corporate Priority 'Help meet local housing needs', and specifically to the achievement of

'Prevention of homelessness' in line with the council's Housing and Homelessness Strategy'.

## **5 Legal Implication(s)**

5.1 There are no legal implications arising directly from this report.

## **6 Climate Change Implication(s)**

6.1 There are no climate change implications arising directly from this report.

## **7 Risk Management Implications**

7.1 The council would face increased costs if it was not able to manage homelessness within its current temporary accommodation stock and had to utilise bed and breakfast or other expensive temporary accommodation solutions. This fund enables the council to enhance its prevention activity and to assist in helping groups that may otherwise not be helped.

7.2 There is a possible reputational risk if the council is not seen to proactively utilise this new fund in the prevention of homelessness. The government has ring fenced the fund to ensure that it is used for this purpose.

7.3 There has been a growing problem of rough sleeping in the borough and the council was recently unsuccessful in applying for government grant to provide additional resource to tackle this. One of the proposed work strands is to put in place specialist support to help reduce rough sleeping in the area.

7.4 There are further changes to the welfare system which will make it more difficult for single people under the age of 35 years to secure affordable housing from April 2018. One of the proposed work strands is to progress initiatives that will provide an affordable housing solution for this client group.

## **8 Explanation**

8.1 The council has a good track record of housing advice and homeless prevention. Current schemes include provision of specialist money advice by the CAB, a 'Spend to Save' fund to help provide innovative solutions to prevent homelessness and a Private Rented Deposit Guarantee Scheme, which helps people access the private rented sector.

8.2 However there are some key areas which we have identified which will benefit from the additional resource the new grant funding provides. The project proposals are set out below

### **8.3 Tackling Rough Sleeping**

8.4 The charity Resolve deliver a range of therapies aimed at helping people cease the cycle of alcohol / substance misuse. Supporting people (and their families) with issues around alcohol and any substance misuse problem, including prescription, as well as illegal drugs.

- 8.5 Resolve and Citizens Advice Welwyn Hatfield are two organisations which already have a proven and wide range of experience in working homeless people. This experience has been gained through existing services, but resources do not allow them to provide ongoing support throughout the journey, from having nowhere to live, through to securing permanent accommodation and maintaining a tenancy in independent living.
- 8.6 In order to enhance the current services available, it is proposed that Resolve's targeted outreach team will work with long-term/entrenched rough sleepers and those who have more complex needs as a delivery partner with the local authority and Citizens Advice.
- 8.7 Working jointly to provide the specialist engagement and support, the proposal is for Resolve's outreach team to provide the street work and locate people who are sleeping rough, either as part of their normal work or when referred by any agency, and bring them into the proposed service.
- 8.8 Citizens Advice will provide the ongoing advice, support and advocacy needed until the person is ready to live independently.
- 8.9 There will be a shared helpline to the service to ensure maximum coverage and the service will be seamless, regardless of which organisation has the first contact.
- 8.10 This service would be enhanced by offering rough sleepers and non-priority homeless people access to a wider service provision within local authority buildings, at Citizens Advice and Resolve. This could include locations such as Children Centres/schools as well as new specialist surgeries.
- 8.11 As part of the proposal, the council would provide accommodation to homeless people within our available temporary accommodation as a stepping stone to finding their own accommodation or to accessing suitable private rented accommodation secured by the council on a licence agreement. Support and engagement will be ongoing, with Resolve and Citizens Advice each providing their own expertise.
- 8.12 The cost to deliver this service is £50,440 in Year One and £52,000 for Year Two. This covers the full cost of running the project, including direct project costs and a proportionate share of each organisation's overheads.
- 8.13 £24,340 (Year One cost) will pay for Resolve to deliver 25 hours per week of dedicated outreach. This will pay the cost of two outreach workers providing 25 hours per week dedicated to this project working Monday to Friday with two Saturday sessions each Month and offering some flexibility on hours of work across the week.
- 8.14 £26,100 (Year One cost) will pay for Citizens Advice to deliver the advice and casework as detailed above. They are suggesting a minimum of 3 days per week as we anticipate a large caseload due to the length of time it will take to address the complex needs of this client group. Our intention is to proactively keep in touch with clients until they become fully independent so that we can support them with

events that occur along the way. This funding will pay the cost of employing a specialist adviser for 3 days per week.

8.15 Housing First

- 8.16 The second proposed project is to work with Druglink to support the Housing First model of supported accommodation. The model was developed in America to address revolving door homelessness.
- 8.17 It looks at housing people without pre-conditions of addressing their support needs or abstaining from drugs/ alcohol. Therefore the housing and support services are separated. The support services are permanent and long term – attached to the person rather than the accommodation.
- 8.18 Whilst support will be provided to help individuals tackle dependencies and assist people to become fully independent, applicants would not be expected to abstain from drinking and/or using drugs prior to being able to access accommodation. This model has been adopted elsewhere in the UK and it has been monitored and there is increasing evidence to show that this approach decreases long term rough sleeping, improves health and wellbeing, reduce drug and alcohol use and increases social interaction.
- 8.19 As an experienced housing provider Druglink propose to deliver suitable accommodation sourced from the private rented sector, with support for dependent drinkers. The project will work with these drinkers to reduce the physical and psychological harms associated with alcohol consumption. Individuals will receive access to medical assessment with the aim of reducing the need for a hospital admission and its associated costs to the NHS.
- 8.20 This service will provide a residential service that bridges the gap between community and acute units. It is a cost effective approach to the issue of supporting and promoting recovery to dependant drinkers and will be managed by druglink recovery experts partnered by local medical expertise. The project will monitor 'graduates' of the housing first service through continued outreach contact to assess their engagement with the treatment and recovery journey.
- 8.21 The estimated cost to deliver this service is £86,700, which covers securing the property rental and the Housing Recovery Worker for 12 months at £30,000 and the management charge at £20,000. It is proposed that the rental amount recovered be returned to the council on a quarterly basis. Should full occupation be reached, this has the potential to reduce the total project cost to £67,500.
- 8.22 We would propose to pilot this for one year with the proposal to extend a further year.
- 8.23 A separate report to this committee sets out information about the introduction of the Homeless Reduction Act 2017 and the implications to the council. However in brief this Act places additional duties on the council to provide advice and support to homeless people – both widening our duties to include all groups and ensuring that the council has services in place which enable early intervention.

- 8.24 In preparation for the Homeless Reduction Act we need to establish a competency framework and skills/knowledge/information toolkit and relevant training which is developed and rolled out to the team. Consideration needs to be given of any additional staffing resource that may be needed in order to meet the requirements of the enhanced duties set out in the Homeless Reduction Act.
- 8.25 Support for young single people
- 8.26 From September 2019 all single people under 35 years will only be eligible for housing costs at the same rate as local housing allowance – which is equivalent to a ‘Shared Room Rate’. In the Welwyn and Hatfield area this is £74.79 per week. The average cost of a studio flat is £125.00 per week in the private sector and £95.00 per week in the social rented sector, usually with an additional service charge – so way beyond the financial reach of someone of this age who is reliant on benefit.
- 8.27 We have been looking at how to address the housing need of people under 35 years who will be restricted by their benefit entitlement to a room in a shared house and are considering the option of setting up a Private Sector Leasing scheme and/or supporting the purchase of suitable shared accommodation properties by a Housing Association (which could be grant funded up to 30% via the council’s Affordable Housing Programme), to which the council would have nomination rights.
- 8.28 Both initiatives would be in partnership with a local housing association, who are able to vary the types of tenancies they offer, therefore providing a flexible model.
- 8.29 We are aware that there is currently a large number of Houses in Multiple Occupation (HMOs) in Hatfield which have traditionally been used as student lets, but are no longer required for that group due to the expansion of university accommodation. We have been approached by landlords about leasing their property to us to use for single people. However it is proposed that we initiate discussions with local Housing Associations about the two possible options.
- 8.30 As part of this project, prospective tenants would need to complete a pre tenancy training course before accessing the accommodation. Research has shown that pre-tenancy training when made compulsory has increased tenancy sustainability.
- 8.31 Enhanced Spend to Save fund
- 8.32 We currently have a small budget, approximately £20,000, which is used by front line officers to prevent homelessness. This is used to pay for one off costs such as payment of a legitimate debt, providing a rental deposit or to meet travel expenses or in any legitimate way that can prevent that person becoming homeless or help them to access accommodation. We propose to use an element of the new grant funding to increase this budget to £40,000.
- 8.33 Enhanced support to access private rented accommodation
- 8.34 As individuals and families find it more and more difficult to meet the criteria set by landlords and agents, officers work proactively and innovatively in their efforts to

prevent homelessness and either sustain or secure privately rented accommodation.

- 8.35 Although there are budget limits to what we are able to assist with, all ideas to either prolong existing accommodation or secure alternative accommodation are considered. In all cases of homelessness, we ask the excluder whether there is anything that can be done to change their minds, whether that be a landlord or a relative, in the hope that any issues there may be can be resolved.
- 8.36 Financial assessments are also carried out to ensure that the accommodation that is secured/extended is within the applicants' means, and not simply providing a temporary solution to a problem which will likely resurface in the future.
- 8.37 Local research has been done to find out what incentives private landlords would consider, in order to enable us to access their properties for our customers. It is proposed that some of the funding could be utilised to put in place some additional incentives for private landlords as part of a package of support. This could include enabling access to property insurance, provision of white goods for the property and/or more flexibility over the level of 'rent in advance' that can be made available.
- 8.38 In addition Citizens Advice and Resolve can work with applicants coming into this service to secure items for a new tenancy. This will be done by accessing grants and other funding to purchase various items to be used in the new home, such as, white goods, kitchen utensils and furniture. Citizens Advice and Resolve can refer clients to grant makers, funders and other charitable organisations whose principal aims are to support people in need, such as, the Wellfield Trust, FReSCH Furniture Recycling and others in the locality.
- 8.39 We propose setting aside £20,000 to support access to the private rented sector, which will be reviewed.
- 8.40 The proposals set out in this report will enhance the skills and knowledge of the team and the help and support that is available to our customers, thus helping to prevent homelessness and where this is not possible secure suitable housing options.

## **9 Equality and Diversity**

- 9.1 Resolve, Citizen Advice and Druglink will prepare the EIAs associated with the projects to ensure that they meet the needs of all protected characteristics. As these are new initiatives they will have a positive impact and will be accessible to all groups.

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