

WELWYN HATFIELD BOROUGH COUNCIL  
CABINET HOUSING PANEL 16 JANUARY 2019

TEMPORARY ACCOMMODATION PROVISION UPDATE

**1 Executive Summary**

- 1.1 This report outlines the current position in relation to the use of temporary accommodation for homeless families and the use of bed and breakfast accommodation.
- 1.2 It sets out the measures we are taking to address the current and future demand. This includes how we plan to make provision during the period that Howlands House (currently our main temporary accommodation site) is being redeveloped.
- 1.3 There is an opportunity to make use of a decanted sheltered housing block (Minster House) for temporary accommodation – during a time when the block would otherwise be empty. The occupation charges will be sufficient to cover the costs associated with making the block suitable for use as temporary accommodation – plus this should help alleviate the need for bed and breakfast accommodation.

**2 Recommendation(s)**

- 2.1 Members to note the plans underway to ensure adequate provision of temporary accommodation, including the acquisition of Inspira House, Welwyn Garden City and the development of private sector leasing.
- 2.2 Members to recommend to Cabinet the interim use of Minster House, Hatfield for temporary accommodation – once the block is fully vacated.

**3 Explanation**

- 3.1 Historically the council has managed homelessness demand for interim and temporary accommodation through its own stock of temporary accommodation and specialist provision, such as Women's refuge.
- 3.2 The council has two main temporary accommodation sites – Howlands House, Welwyn Garden City, which provides 21 shared three bedroom units (a maximum of 63 individual units) and Hazelgrove House, Hatfield, which is a block of 20 self-contained flats (mainly one bedroom, with one two bedroom property).
- 3.3 This accommodation has been supplemented with the occasional use of bed and breakfast or supported housing for individuals who present challenges that cannot be managed within these settings (such as sexual or violent offences)
- 3.4 Over the last eighteen months we have experienced an increase in the demand for temporary accommodation and have seen a reduction in move on options, which means that both the occupancy levels and average level of stay (for all occupiers) in temporary accommodation has risen. The average stay was previously 14.5 weeks, but by March 2018 was 16.5 weeks.

- 3.5 In April 2017 the council was providing 71 households with temporary accommodation, which was a very similar level to the previous year (April 2016). However by March 2018 this number had risen to 100 households (an increase of 54%), which was the highest reported number since April 2014.
- 3.6 The introduction of the Homeless Reduction Act in April 2018, which extended the council's duties to homeless households, created some additional pressure due to the enhanced duties, including the length of time a duty is owed and therefore how long the council is expected to accommodate households.
- 3.7 The number of households in temporary accommodation peaked at 120 in July 2018 and has varied between 111 and 117 on a weekly basis since then. However due to the sustained efforts of the team, at the time of writing we have reduced this number to 98 households in temporary accommodation.
- 3.8 The higher demand has led to the reliance on bed and breakfast which is both expensive and less suitable for the families who are placed there. We have a number of options that are being explored to expand the suite of temporary accommodation and longer term housing options available to the council, to reduce and hopefully remove the need for bed and breakfast accommodation – other than by exception.
- 3.9 This includes exploring private sector leasing options, bringing some vacant general fund council properties into use where this is appropriate, making use of Housing Revenue Account housing stock as temporary accommodation and considering suitable sites for acquisition. We have also been exploring alternative types of provision, such as the use of temporary modular housing on vacant development sites.
- 3.10 In the longer term we have plans to demolish and rebuild our main temporary accommodation site - Howlands House. The objective is to both increase the number of units on this site and to provide a modern offer, as the current buildings are outdated and all facilities are shared.
- 3.11 We have also recently consulted with residents of a sheltered housing block (Burfield Close, Hatfield) about decanting them from this block, with a view to demolition and re-provision of purpose built temporary accommodation at that site. A recent viability assessment found that Burfield Close is in need for complete re-development because the current provision is not suitable for meeting the needs of our older population in the future, with very small properties which need updating and the building having no lifts.
- 3.12 We need to ensure that we both increase our stock of temporary accommodation to meet the current need now, but also with a view to having sufficient accommodation available to meet a growing demand and whilst we are redeveloping Howlands House.
- 3.13 Increasing temporary accommodation in the short term

#### **Use of non-secure tenancies**

- 3.14 Since the pressure to secure temporary accommodation has increased, we have been using an increasing number of units of our housing stock to provide temporary accommodation. In these circumstances properties are let on a non-secure (temporary) tenancy.

- 3.15 We usually use this type of accommodation for families who need self-contained accommodation and/or larger households who would otherwise require a number of units within our temporary accommodation site.
- 3.16 Whilst this is a helpful way to avoid the use of B&B, it does mean that units of housing stock are used for temporary accommodation, rather than as permanent solutions for people on our waiting list.
- 3.17 However there are some properties in our stock which are more suited for this type of use, for example we have some studio flats which are particularly small and are ideal for temporary accommodation, but not as a longer term housing option. We also have some properties that we are considering for redevelopment, so it is sensible to occupy them on a temporary basis whilst this is being considered.

#### **Use of Minster House, Hatfield**

- 3.18 Cabinet approved the disposal and redevelopment of Minster House, a sheltered housing scheme which comprises 30 flats, in 2017 and as a result the block is currently being decanted.
- 3.19 Cabinet has also recently agreed a proposal to include the adjacent bungalows in the wider redevelopment. There are eleven bungalows, two are vacant. We have started the process of decanting these residents, but this is likely to take around twelve months. The Scheme Coordinator will have an office base in the vacant bungalow to support the bungalow residents throughout this process.
- 3.20 A project group has met on site to assess the suitability of using the main Minster House block for temporary accommodation. A plan has been agreed, which includes securing the communal space and carrying out repairs and decorations/furnishing the vacant units.
- 3.21 The Housing Development team have confirmed that Minster House (main block) is likely to be empty for at least a year (post full decant) whilst they finalise plans, seek planning approval and appoint a contractor to carry out the development. This report seeks authority to convert the use of the block to temporary accommodation during this period. The cost of the refurbishment works will be almost entirely offset by the increased revenue from the temporary accommodation once it is occupied. It should be noted that temporary accommodation attracts a higher rental income than general needs housing.

#### **Purchase of Inspira House, Welwyn Garden City**

- 3.22 The council has recently exchanged contracts in advance of completing on the purchase of Inspira House. This block is an 'office to residential' conversion, providing 54 units of accommodation.
- 3.23 This will be used to provide temporary accommodation, primarily bridging the gap that will be left when Howlands House is decanted; we estimate that we will have 51 units occupied at any given time – allowing for change of occupation and repairs.
- 3.24 The proposal is to use this block as temporary accommodation for approximately three years, after which time we hope to have redeveloped Howlands House and so can consider alternative options for the block, such as intermediate rent.

## **Development of Private Sector Leasing Options**

- 3.25 Officers are in discussion with four potential providers of private sector leasing models. In this model, the provider leases properties direct from private landlords at a fixed fee and will either manage the properties fully or offer a partially managed service to the council; we will nominate families to the properties. This can be used for temporary accommodation or to fully discharge our duty to homeless families.
- 3.26 The council would pay a fee – either a lump sum or a weekly charge – depending on the nature of the scheme. A separate report will be brought setting out the options and making a recommendation on how to proceed.

## **Use of other decanted blocks**

- 3.27 Officers have recently consulted with residents of Burfield Close, a sheltered housing scheme, with a view to vacating the block and redeveloping it to provide purpose built temporary accommodation. At the moment the proposal is to provide around 40 units of temporary accommodation on this site.
- 3.28 Subject to the outcome of the consultation and Cabinet approval, we would hope to use the fully vacated block as temporary accommodation in a similar way to Minster House – whilst the plans are being progressed to redevelop the site in the longer term. There are 25 units on site and we would expect that at any given time we would occupy 23 units – allowing for void turnover and repairs.
- 3.29 It is likely to take around one year to decant the block and therefore this site would not be available to be used for temporary accommodation until early 2020.
- 3.30 We are also exploring the options/potential to provide modular housing on a temporary basis, where a suitable site is identified.

## Increasing temporary accommodation in the long term

### **New temporary accommodation developments**

- 3.31 In the longer term we plan to redevelop Howlands House to provide around 80 units of temporary accommodation. This will include some units which are fully adapted to meet the needs of households with disabilities.
- 3.32 Similarly, we hope to redevelop Burfield Close, which will provide a purpose built block of around 40 units of temporary accommodation in Hatfield.

## Specialist Accommodation

- 3.33 As well as council managed and commissioned temporary accommodation, we are working in partnership with other statutory and voluntary organisations to improve the provision on specialist and supported accommodation.
- 3.34 We were party to a bid for government funding to help set up a specialist Women's Refuge in Hertfordshire which will cater for women victims of domestic abuse who are at risk of suicide and/or who have drug and alcohol issues. We have recently heard that this bid was successful and therefore will be involved in discussions with Herts County Council and the service provider, SaferPlaces, to take this project forward.

- 3.35 We have agreed funding to help support the development of a Night Shelter in Hatfield and have recently submitted a bid to government to secure additional funding for this project, as well as funding toward specialist 'Navigator' posts who will be responsible for helping to secure long term solutions for people who have a history of rough sleeping.
- 3.36 We have set up a Housing First project, which includes the provision of a four bedroom supported house, which is managed by DrugLink. We are liaising with DrugLink about the potential to further extend this provision, so that there is more supported housing available for this client group.

### **Implications**

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

- 3.37 The council has a statutory responsibility under the Homeless Reduction Act 2017 to prevent and relieve homelessness, including the provision of suitable accommodation for people who are homeless and in priority need.
- 3.38 Priority need includes people with dependent children who live with them, someone who is pregnant or vulnerable due to age or health or for some other reason.
- 3.39 The Homeless Reduction Act has extended the council's duties to homeless people, which has led to a large increase in the case load being dealt with by housing options staff and an increase in the average length of time spent in temporary accommodation.

### **4 Financial Implication(s)**

- 4.1 The cost of bed and breakfast accommodation up to the end of Period Seven (18/19) is 97k; the cost of income recovered via benefits during the same period is 40k so the net cost is 57k. The total estimated net spend for this financial year is £98k.
- 4.2 The estimated income from using Minster House as temporary accommodation, based on an 80% occupancy rate, is approximately £179k per annum. Taking into account the set up costs (decorations, security, and furniture) and estimated rental income during the period of occupation, the net cost of using Minster House for temporary accommodation is less than £10,000.

### **5 Risk Management Implications**

- 5.1 The risks related to this proposal are set out below. The residual risk score is taking account of the recommendations in the report being agreed:

#### **Legal Risk**

- 5.2 The council may not be able to demonstrate that it is meeting its legal duties to both prevent and relieve homelessness and to provide suitable accommodation. It is important that there is a range of good quality temporary accommodation provided locally, as this minimises the risk of having to place families outside the local area. Likelihood High; Impact Medium. **Residual risk score** Likelihood Low; Impact Medium.

- 5.3 The council is in breach of legislation if it places a pregnant woman or a family with children in bed and breakfast for more than six weeks – therefore it is essential that we have a sufficient supply of other forms of suitable temporary accommodation locally. Likelihood Medium; Impact High. **Residual risk score** Likelihood Low; Impact High.

#### Financial Risk

- 5.4 The cost of using bed and breakfast is high and the amount that can be recovered via the benefit system does not meet the costs. Increasing local provision will reduce the requirement for bed and breakfast and the rental income can be used to meet the costs of running the local temporary accommodation. Likelihood High; Impact High. **Residual risk score** Likelihood Low; Impact High.

#### Reputational Risk

- 5.5 Using bed and breakfast accommodation and/or accommodation located outside the borough is highly undesirable and it is very difficult for families with employment and or children at school, who are sometimes located away from their support network or away from jobs and schools. The nature of bed and breakfast and the facilities provided are challenging for families, particularly if this is for more than a few weeks. Likelihood High; Impact High. **Residual risk score** Likelihood Low; Impact High.
- 5.6 If we do not make use of Minster House, there may be some reputational risk associated with leaving a building of this size empty for approximately a year, whilst we have people who are homeless and sometimes accommodated outside of the local area. Likelihood Medium; Impact Medium. **Residual risk score** Likelihood V Low; Impact Medium.
- 5.7 Bringing Minster House into use as temporary accommodation may create some concern from the residents of the bungalows (prior to them being decanted) and other properties nearby. There will be a clear communication plan associated with the project which will help to mitigate this risk. Likelihood Medium; Impact Medium. **Residual risk score** Likelihood Low; Impact Medium.

### **6 Security and Terrorism Implication(s)**

- 6.1 There are no security and terrorism implications arising from this report.

### **7 Procurement Implication(s)**

- 7.1 There are no procurement implications arising from this report.

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

- 8.1 There are no climate change implications arising from this report

### **9 Human Resources Implication(s)**

- 9.1 The staffing resources have been reviewed as part of the strategic approach, to ensure that there is sufficient capacity to adequately manage the council's temporary accommodation sites.

## **10     Health and Wellbeing Implication(s)**

- 10.1 It is an established fact that homelessness is a negative determinant of positive health outcomes. The council's priority is to prevent homelessness as far as possible and to provide sufficient affordable homes to meet need; however where this is not possible, it is important that we are able to meet the needs of homeless households with good quality and local temporary accommodation.

## **11     Communication and Engagement Implication(s)**

- 11.1 A communication plan will be agreed regarding the use of Minster House as temporary accommodation. It is particularly important to convey that this will not lead to any delay in the longer term redevelopment plan for this site and that this is a temporary measure.

## **12     Link to Corporate Priorities**

- 12.1 The subject of this report is linked to the Council's Corporate Priority Our Housing, and specifically to the achievement of 'Plan for current and future housing need' and is linked to a statutory requirement, under Housing Act 1996 (as amended) and Homeless Reduction Act 2018.

## **13     Equality and Diversity**

- 13.1 An Equality Impact Assessment will be completed on all projects linked to this report as part of the assessment and development of the projects.

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Date	(28 December 2018)

Background papers to be listed (if applicable)