

# HOMELESSNESS UPDATE

## PORTFOLIO RESPONSIBILITY: SOCIAL CARE ADULTS AND HEALTH

CABINET

12TH APRIL, 2007

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### Wards Affected

Countywide

### Purpose

To update Cabinet on progress made in relation to homelessness prevention in Herefordshire.

### Key Decision

This is not a key decision.

### Recommendation

THAT

- (a) the update be noted; and
- (b) the final quarterly report on progress and developments in homelessness prevention services and the work of the Homelessness and Housing Advice Steering Group be received.

### Reasons

In July 2005, Cabinet agreed a number of 'spend to save' initiatives to address the financial pressures created by the demand for homelessness services in Herefordshire. Since then, changes have been implemented, including the return in-house of homelessness and housing advice services from Herefordshire Housing Ltd, which have led to an improving position around homelessness prevention in Herefordshire.

### Considerations

1. The total value of homelessness prevention payments made since April 2006 stands at just over £250,000. This sum is substantial, so it is worth noting and reflecting upon the impact the 'spend to save' homelessness prevention approach has made during the last financial year, and the value of continuing with this activity. During the course of 2005/2006, in the absence of prevention options, the authority routinely accepted a duty to provide temporary accommodation to families whilst it investigated homelessness applications. This duty lasted for a minimum of 28 days, and often entailed securing Bed and Breakfast accommodation for individuals and families in Herefordshire. The cost of this activity could prove as high as £2000 per month, per family. In this current year, adopting the spend to save homelessness prevention approach, the authority has spent around £250,000 from the prevention fund, in 1318 individual payments. This equates to £189 per intervention, as opposed

to £2000 per four-week stay in temporary accommodation, and each payment represents a tangible outcome where customers have secured suitable housing solutions without having to move into temporary accommodation. The prevention fund has therefore enabled the Council to secure real housing results for customers who could have presented as homeless in the last year in a financially effective and efficient way. Another way of assessing the savings represented by the fund is to project alternative spend on the 1318 interventions made through the fund this year. If 125 of the 1318 families or individuals who presented this year had moved into temporary accommodation those placements alone would have immediately cost the Council £250,000 – the equivalent of prevention spend for the entire year. Had 50 percent of these enquiries resulted in a temporary accommodation placement, the spend on a four week assessment period alone would have totalled some £500,000. In January 2006, there were more than 50 families in bed and breakfast, 40 of whom had been there for at least 6 weeks, so a snapshot of spend at that stage shows the Council would have spent at least £150,000 on that particular group of families alone. These figures provide a financial perspective on the underlying value of the prevention fund in terms of targeting realistic spend on homelessness in Herefordshire, and of securing outcomes that avoid relying on the provision of temporary accommodation.

2. Mediation services and Sanctuary interventions continue to form an important role in preventing family exclusions, and ensuring victims of domestic violence have the opportunity to remain in their own homes. Locally, work is also taking place around homelessness prevention with banks and mortgage lenders, with a view to setting up a proactive approach to homelessness and mortgage repossessions in the future.
3. The number of new families booked into bed and breakfast accommodation has continued to fall, and we are now averaging less than two new families into B&B per month. We currently have 4 families in B&B, only 2 of whom have been there for longer than 6 weeks – at the end of March 2006, this figure stood at 40 families and 25 over 6 weeks. There has also been a similar downward trend in the number of priority cards, issued to homelessness customers, through the Home Point scheme. At its peak level, pre-transfer back in-house, this numbered some 350, but in the last year, the number of priority cardholders on the system has dropped by more than 50 percent.
4. Demand for homelessness and housing advice services remains high – at peak times, the authority receives 15 referrals a day, but the number of homelessness applications and acceptances under the Housing Act 1996 has remained stable into quarter four of 2006/07.
5. The homelessness and housing advice steering group has helped to shape policy, procedure and local responses to homelessness. The aim was for this group to remain in place for one year post-transfer of the team back in-house, but members of the group have expressed a wish to see this group continue, as it is considered to have proved a valuable platform for generating an improved homelessness position. The newly formed Herefordshire Homelessness Strategy Implementation Group has also begun to formulate a strategy that places homelessness prevention at the heart of the Council's approach to this issue. A report on the second Homelessness Prevention Scrutiny Seminar, held in December 2006, has been submitted to the Adult Social Care and Strategic Housing Scrutiny Committee for 23<sup>rd</sup> March 2007.
6. The historical accumulation of the number of families living in temporary accommodation remains a challenge, although it still continues to decrease more quickly than initially projected at the start of the financial year.

## **Risk Management**

As a result of the substantial progress made in reducing homeless acceptance rates and the associated use of B&B, the budget for bed and breakfast accommodation in 2006/07 has proved adequate, and there are no concerns around an overspend for this financial year.

Continued use of bed and breakfast accommodation for families could result in judicial review proceedings being taken against the Council by families accommodated in Bed and Breakfast for longer than 6 weeks contrary to the Homelessness (Suitability of Accommodation) Order (England) 2003.

## **Alternative Options**

Not applicable.

## **Consultees**

Not applicable

## **Background Papers**

Reports to Cabinet dated 19<sup>th</sup> May 2005, 14<sup>th</sup> July 2005, 20<sup>th</sup> April 2006, and 2<sup>nd</sup> January 2007