

<b>Meeting:</b>	<b>Adults and wellbeing scrutiny committee</b>
<b>Meeting date:</b>	<b>Tuesday 5 March 2019</b>
<b>Title of report:</b>	<b>Report on the delivery of the Homelessness Reduction Act and the impact of mental health and universal credit on homelessness</b>
<b>Report by:</b>	<b>Director of adults and communities</b>

## **Classification**

Open

## **Decision type**

This is not an executive decision

## **Wards affected**

(All Wards);

## **Purpose and summary**

To review, at the request of the committee, the council's approaches to avoidance of homelessness, and the local impact of the homelessness reduction duty, mental health, and universal credit. The committee may wish to consider the impact of these factors on the delivery of the council's duties to those who are homeless or at risk of homelessness.

## **Recommendation(s)**

That:

- (a) **The committee determines any recommendations it wishes to make to the executive to further reduce and avoid homelessness.**

## **Alternative options**

There are no alternatives to the recommendation. It is a function of the committee to review action taken in connection with the discharge of any functions which are the responsibility of the executive and make reports or recommendations to the executive.

# Key considerations

## Homelessness Reduction Act

### Introduction

1. The Homelessness Reduction Act (HRA) came into effect on 3 April 2018 and placed significantly increased statutory duties on local housing authorities (LHA) to prevent and relieve homelessness.
2. Homelessness legislation is contained in Part 7 of the Housing Act 1996 and the HRA amends this legislation but does not replace it. The Government issued a comprehensive new Code of Guidance advising on how to implement the new duties.
3. The new Code of Guidance transforms the help councils are expected to provide to all eligible people who are homeless or threatened with homelessness. It aims to ensure provision of support to people who aren't presently entitled to help under the previously existing current system.
4. The Act places a new duty on other public services to refer to councils if they are working with people who are homeless or at risk of homelessness.
5. There are increased duties in relation to homeless case reviews and appeals: Clients will have increased rights to seek reviews of the Council's decisions at every stage of their presentation.
6. There are new reporting procedures to MHCLG (known as H-CLIC) placed on the council. These reports cover all households who approach an LHA for assistance, whether for a prevention duty or a relief duty.

### Key Points

7. Enhanced homelessness prevention duties: the act increased the duty on councils to offer prevention services. The point at which these duties come into force was changed so as to be applicable when someone is threatened with homelessness within 56 days; an increase on the earlier threshold of 28 days.
8. Each applicant who is threatened with homelessness within that period must be provided with a comprehensive Personal Housing Plan (PHP). The Act then contains a new relief duty: to provide assistance when preventions fail.
9. Continued temporary accommodation protection for families: there is an extension of the council's duty under the new relief duty such that, where a decision has been made that the person is intentionally homeless or where they are not in priority need, the requirement on councils to provide temporary accommodation has been extended from 28 days to 56 days. If a full housing duty has been granted to the applicant, temporary accommodation must be offered by the council and the household is entitled to remain in temporary accommodation until they are suitably re-housed. MHCLG predicted, following analysis from their trial sites, that councils would require additional provision of Temporary Accommodation as a result of this legislative change.

### Herefordshire's approach

10. The new legislative framework is in accord with the approach to homelessness in Herefordshire which has traditionally focussed on early intervention, and mobilising additional services offering options for those threatened with homelessness. The Housing Solutions Team (HST) have been using enhanced Prevention tools for the past 3-4 years, including Rent in Advance, Deposit and Bond Schemes. There is also a Goodwill budget available
11. Under the new legislative framework the HST works with all applicants to complete a PHP at every stage of their journey through the HST system. Both the applicant and a Housing Solutions Officer (HSO) complete the PHP working together to agree what housing aspirations/plans/proposals they have to prevent homelessness or secure alternative accommodation. The applicant must show that they have completed the agreed PHP 'tasks' and HSOs will provide details of their completed tasks/future plans. Failure to engage with an HSO can lead to the case being closed without resolution.
12. The duties to provide temporary accommodation for 56 days compared to the previous 28 days has placed additional pressures on the council's access to temporary accommodation. The numbers in Bed & Breakfast has been in double figures for the last 5 months continuously compared to between 2 and 4 people being placed in bed and breakfast for the same months a year earlier. HST are working with local landlords to secure additional accommodation.
13. The Housing Solutions Service submits data quarterly to the Ministry of Housing Communities and Local Government (MHCLG) on the council's delivery of these new duties. In particular this includes reporting on prevention of homelessness, relief of homelessness and levels of rough sleeping. Reports will be made available to the committee at financial year end detailing performance in those areas and will be benchmarked against figures submitted to MHCLG by comparable councils of similar rurality.

### Impact on the delivery of housing services

14. The number of homeless applications and need for in depth casework has increased substantially. Footfall into the Housing Solutions Service has increased by 59%.
15. HST introduced HRA working guidelines in March 2018. The average allocation of cases has increased to 20+ per day on average since the introduction of the new system.
16. The HST offers detailed face to face interviews and assess each applicant as to their housing needs and produce a written Personal Housing Plan for every person that uses the housing services. Typically this takes around 45 minutes to one hour per interview.
17. The increased demand for Temporary Accommodation (for which the council has a statutory duty) is leading to increased use of Bed & Breakfast. This is impacting on spend levels within the overall Housing Services budget and within the Temporary Accommodation budget in particular and continues to be managed by the Housing Solutions Team.
18. Herefordshire is receiving a total of £155,372 funding from MHCLG (2017/2018: £48,264, 2018/2019: £44,210, 2019 /2020: £62,898) to support the council to meet the "additional burdens" (MHCLG use this term) of the HRA. This funding is being used primarily to provide a time-limited staffing resource.

## **Street homelessness**

19. There are currently 16 rough sleepers in Hereford – the Rough Sleeper Outreach Service (RSOS) are in contact with all of them. In the main they stay at the winter shelter in Hereford but there are rough sleepers in Kington, Ross and Leominster that do not access the shelter for various reasons.
20. There is an annual Rough Sleeper count which was last reported to MHCLG in November - this was recorded as 18 - but the RSOS assesses the numbers weekly and visits the night shelter daily to ensure that if there is anyone that is new to the provision they establish communication with them. The numbers are fairly static but individuals change as people are housed/move away but are often replaced by people new to the streets.
21. The RSOS works closely with all agencies in Herefordshire who provide support/assistance to rough sleepers: including MH/health providers, Addaction, Police Probation etc. During the daily visits to the shelter Home Point forms are completed, benefits are checked, and options available are discussed with the rough sleepers. We currently now have 1.5 WTE permanent Rough Sleeper Outreach Workers (RSOWs) and a further officer who is funded by MHCLG who will be in post until February 2020. There is also a research officer post, funded by MHCLG until April 2019.
22. Targets are set as part of Housing Solutions Service's Service Improvement Plan designed to contribute to meeting the target of eradicating rough sleeping in Herefordshire in the next five years.
23. The RSOS also provides resettlement support to 40+ individuals in an effort to avoid any breakdown of tenancies and repeat rough sleeping/additional pressures on the RSOS and other associated services, i.e. health providers, Police, Probation local businesses/local communities.
24. The Strategic Housing team is also working with a local charity, which provides hostel style accommodation for men most of whom have experience of rough sleeping, to expand the facilities and provide more support for people to get back into mainstream society.
25. In addition, the Community Commissioning team in Adults and Communities have negotiated agreements with a major Registered Provider in the county to provide short term supported housing to offenders at risk of homelessness on release from prison. This is a cohort that has a high likelihood of rough sleeping so that the scheme will support prevention of rough sleeping.
26. The council will be reviewing its Homelessness Prevention Strategy this calendar year to ensure that it addresses rough sleeping issues thoroughly and complies with central government guidance which is due shortly.

## **Mental health and homelessness**

27. People with poor mental health are more susceptible to main factors that can lead to homelessness:
  - Poverty – often lack capacity to sustain employment, so have little income.
  - Disaffiliation – withdrawal from friends, family and loss of support = fewer coping resources.
  - Personal vulnerability – mental ill health impairs resilience, clouds thinking and judgement.

28. People with mental illness are at greater risk of experiencing homelessness but homelessness amplifies poor mental health by exacerbating anxiety, fear, depression, sleeplessness and potentially substance use.
29. 77% of homelessness people in England report mental health issues: 45% diagnosed with a mental condition. (Homelessness Link 2011/14). Herefordshire's draft Homeless Health Needs report shows 75% locally reported mental health issues.
30. The needs of homeless people with poor mental health are similar to those without it: physical safety, education, transportation, affordable housing, and affordable medical/dental treatment.

Current specialist targeted provision for homeless with mental health needs:

31. Accommodation based support – 30 units including but not limited to people with mental health needs, potentially increasing to 35 units in 12 months.
32. Floating support – up to 75 clients including but not limited to people with MH needs.
33. Current specialist targeted provision for vulnerable homeless includes:
  - Women's refuge - 9 units
  - Foyers for young people - 30 bed spaces
  - Newly negotiated agreement with registered provider due to commence Christmas 2018: Ex-offenders - up to 10 units

'Vulnerable' may include rough sleepers, young people, ex-offenders, former armed forces personnel and/or family members, people with substance dependencies or mental health issues, people with challenging behaviours and socially marginalised, pensioners, people experiencing domestic abuse, pregnant women and families. (Note: you are not automatically classed as vulnerable under homelessness legislation if you fit into one of these groups).

Targeted provision in the development pipeline:

34. This includes
  - 8 units for vulnerable people aimed at those with mental health issues in early stages of development. Access will be through direct nomination by ASC team. Anticipated completion date – 2020/21
  - Additional 6 units in Hereford city earmarked for people with mental health issues. Access will be through direct nomination by ASC team. Anticipated completion date –2021/22
  - 6-8 units for young people with complex needs. Nominations from CWB/ASC. Anticipated completion 2020/21
  - 6-8 units for ex-offenders. Nominations from probation/CRC. Anticipated completion 2020/21
35. This approach will run alongside the development of coherent, deliverable models of housing management and care and support, and a review of models and need/trend data plus outcome evidence to include temporary accommodation, short term supported

housing and tenancy support. The strategy is to bring into use more accommodation for vulnerable groups, using a three-phased approach:

- i. Utilising existing accommodation and ensuring its best use in accordance with identified need.
- ii. Securing new accommodation relatively quickly through open market purchase or re-negotiation for specialist provision in upcoming developments.
- iii. Negotiated specialist accommodation through new-build development

### **Universal credit**

36. Universal credit (UC) replaces 6 benefits including housing benefit. (JSA, IS, ESA, WTC, CTC and HB) and means that one organisation is dealing with claims in place of 3 (DWP, HMRC and Local Authority Revs and Bens)
37. The intention is to ensure people are better off in work and to support part time and short term work as a stepping stone into permanent employment. The intention is that the benefit 'mirrors work' in that it is paid monthly/ 5 weekly in arrears, paid directly to claimant's household. (However it is to be noted that low paid people are often paid weekly)
38. Universal credit was introduced into full service in Herefordshire from 13 June 2018 as a digital, personalised service.
39. For housing providers there are a number of risks:
  - The housing element of UC is the last to be paid
  - There are currently 5 week delays in payment
  - Payments are made direct to the tenant
  - If the household reaches £20,000 savings a benefit cap applies such that some or all of UC (Housing Element) is not paid.
40. Therefore we are noticing some risk averse landlords mitigate these risks by:
  - Refusing to take benefit claimants.
  - Affordability assessments being undertaken by Registered Providers of Social housing (Housing Associations).
  - Landlords (including Registered Providers) seeking rent 'up front': Some social landlords are requiring up to 4 weeks rent up front even though they are offering weekly tenancies. This is affecting access to social rented properties.
  - Additional pressures on HST's budget where rent in advance is requested by the registered providers of social housing – inability of clients to pay rent in advance could place additional pressures on temporary accommodation and the temporary accommodation budget.
41. Action being taken by DWP to mitigate these risks include:
  - Establishing alternative payment arrangements.

- Making advance payments – this can have a negative impact on income as it is subsequently deducted from future payments adding to financial pressures on the service.
- From April 2019 DWP will fund CAB nationally to provide Universal Support. This helps claimant to make and maintain a claim. However it is to be noted that there is limited CAB service in Herefordshire.

**Other factors to note impacting on homelessness:**

42. Rents in the private rented sector in much of the country have increased faster than wage growth. Private rented properties are becoming less affordable, which in turn is likely to be contributing to homelessness caused by the ending of an assured shorthold tenancy.
43. In Herefordshire the number of smaller units is insufficient to enable all tenants affected by the spare room subsidy/bedroom tax to downsize and moving to the private rented doesn't necessarily reduce cost to HB. Discretionary Housing Payments (DHP) have been used to provide support for affected tenants but is not guaranteed over time.
44. DHP: the council has the power to award additional help with housing costs to people in receipt of HB or the housing element of universal credit and receives central government funding: c:£295k. in January 2018 our DHP policy was amended to align to strategic housing priorities, including prevention of homelessness.
45. Local Housing Allowance has remained at same level since April and will remain so to April 2020. There are increasingly fewer properties available which are affordable to benefit recipients. Access to private rented sector is limited and claimants can't sustain tenancy as rent rises.

**Community impact**

46. In accordance with the adopted code of corporate governance, Herefordshire Council must ensure that it has an effective performance management system that facilitates effective and efficient delivery of planned services. Effective financial management, risk management and internal control are important components of this performance management system. The council is committed to promoting a positive working culture that accepts, and encourages constructive challenge, and recognises that a culture and structure for scrutiny are key elements for accountable decision making, policy development, and review

**Equality duty**

47. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

48. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.
49. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine 'protected characteristics' (age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). In particular, the council must have 'due regard' to the public sector equality duty when taking any decisions on service changes.
50. The approach to reducing and ending homelessness described here are designed to advance equality of opportunity and good relations. Many of those who experience, or are at risk of, homelessness will share one or more of the protected characteristics and the approach to homelessness described here supports the council in fulfilling its duties under the Equality Act 2010.

## **Resource implications**

51. There are no direct resource implications arising from the recommendations; the resource implications of any recommendations made by the committee will inform the executive's response to those recommendations.
52. Notwithstanding the above the committee may wish to note the advice contained in the section above entitled "Impact on the delivery of housing services".

## **Legal implications**

53. There are no direct legal implications arising from the recommendations; the legal implications of any recommendations made by the committee will inform the executive's response to those recommendations.
54. The council has a statutory duty to implement the provisions of the Homelessness Reduction Act as of April 2018. A failure to meet statutory duties is likely to be challenged by way of s204 Housing Act 1996 Appeal to the County Court (in cases of decisions attaching statutory review rights under s202 of the Housing Act 1996) or by Judicial Review proceedings in the High Court. By implementing the changes recommended by this report, the council will ensure that it complies with its new statutory duties to those in the district who are homeless or threatened with homelessness.
55. The council must have due regard to the need to eliminate unlawful discrimination and advance equality of opportunity under s149 of the Equality Act 2010. This duty applies to all public functions exercised by a council, and in particular, the new duties under the Housing Act 1996 (as amended by the Homelessness Reduction Act 2018). Targeting accommodation and support/advice services to vulnerable people with protected characteristics will assist the Council to meet its duties pursuant to the Equality Act 2010.

## **Risk management**

56. There are no direct risks arising from the recommendations; the risks associated with any recommendations made by the committee will inform the executive's response to those recommendations.
57. Risks relate to the non-delivery of a statutory duty and the associated rise in homelessness and rough sleeping. The delivery of the statutory duties within the Homelessness Reduction Act will be mitigated through routine operational management and internal service quality monitoring and performance reporting procedures, along with the performance reporting to MHCLG.

## **Consultees**

58. None.

## **Appendices**

Appendix 1: Presentation: Homelessness Reduction Act 2017: The significant changes to statutory homelessness duties for local authorities.

Appendix 2: Presentation: Universal credit, mental health and vulnerable people

## **Background papers**

None identified.