



Report to Safer and Stronger Communities Scrutiny & Policy Development Committee

Report of: Executive Director of Communities

Subject: Homelessness Performance Update

Author of Report: Zoe Young Head of Care and Support Housing

Summary:

This report outlines homelessness key performance issues. The information contained in this report has been requested by the committee to enable it to have an up to date picture of what's happening in the city and to enable it to scrutinise performance. It outlines some of the key challenges for the city.

Type of item: The report author should tick the appropriate box

Reviewing of existing policy	
Informing the development of new policy	
Statutory consultation	
Performance / budget monitoring report	
Cabinet request for scrutiny	
Full Council request for scrutiny	
Community Assembly request for scrutiny	
Call-in of Cabinet decision	
Briefing paper for the Scrutiny Committee	√
Other	

The Scrutiny Committee is being asked to:

The committee is asked to consider the report and provide views, comments and recommendations.

Background Papers:

Homeless Strategy 2010-2013

Category of Report: OPEN

1. Introduction/Context

- 1.1 Becoming homeless has a huge impact on people which can include damaging their mental health and physical health, chances of finding work or attending training or education and disrupt their family life. For many people they are able to find suitable alternative accommodation and move on to a more settled life quickly for others homelessness can go on for some time or recur and they may need more help and support to find a settled home.
- 1.2 In 2010 SCC agreed a 3 year Homeless Strategy at a time when homelessness was decreasing. The Strategy sets out key areas for action which are improving homeless prevention and housing options, increasing access to affordable / suitable housing including Supported Housing, targets for work specific customer groups including young people and better multi-agency responses for those with complex needs.
- 1.3 Sheffield historically has had a relatively high level of homeless presentations and acceptances compared to other cities. This is linked to encouraging people to register for housing when the city had more stock than demand. There has been a relatively generous approach to undertaking investigations and accepting duties. SCC has mainly used its own stock to meet the homeless duty and hasn't developed other options to the extent that other councils have. Other councils have been more stringent in their assessment of duties owed and developing other options driven by need.
- 1.4 Targets for the use of Temporary Accommodation were set in 2004 by Government. The targets were set to half the use over a 5 year period up to 2010. The Target for Sheffield was 121. Sheffield did not meet this target and for the first 4 years increased use rather than decreased it. Current use should be understood in the context of previous performance. In 2008/09 at the height of use 400 households in Temporary Accommodation 160 of these were in Bed and Breakfast.
- 1.5 Costs of B&B spiralled and this had adverse budget impacts. Not all of the costs are covered by Housing Benefit.
- 1.6 The majority of Temporary Accommodation in Sheffield is self contained, provided by Registered Providers and Sheffield Homes and provides some support funded by the Supporting People programme
- 1.7 Service Improvements led to a reduction of acceptances in 2009/10 and significant reduction in the use of Temporary Accommodation including Bed and Breakfast.
- 1.8 Homelessness is now increasing nationally and locally. Due to the current economic climate and the Welfare Reform Act the number of presentations is likely to further increase

- 1.9 Despite this, Sheffield has managed to further reduce the use of Temporary Accommodation including B&B and reduce the B&B budget but usage of this is now beginning to grow again.
- 1.10 Being able to contain or further reduce the use of Temporary Accommodation is extremely challenging in the current environment and essentially dependent on reducing demand and having access to alternative accommodation for those people owed a duty.
- 1.11 Homelessness has a disproportionate impact on young people (half of our applicants are under 25) – they are generally more financially vulnerable and are less likely to have secure accommodation available to them.
- 1.12 Accepting someone as homeless and having a duty to rehouse them is only a route that benefits families or vulnerable homeless people. Other homeless people (e.g. single people without a priority) are not owed a duty and only benefit from prevention and advice.
- 1.13 The main reasons for homelessness have continued to be being asked to leave by parents, friends and family and relationship breakdown. This can mask underlying reasons such as economic factors that can make it more difficult for people to sustain existing living arrangements.
- 1.14 We risk not meeting our statutory requirements to only use B+B for a maximum of 6 weeks for families if homelessness continues to increase and we do not have alternatives in place.
- 1.15 The government has allocated £680,000 to SCC by way of Homelessness Grant. This is not ring fenced, and due to the budget pressures, of these monies only £380,000 has been allocated to the Housing Solutions service. This is used to pay for some staff costs, Private Rented Solutions and the Sanctuary Scheme.
- 1.16 The budget for Housing Solutions has been reduced by 15% in this year but we have achieved this by reducing B+B costs and reducing management posts – so we have a small increase in some front line posts. The teams are finding it difficult to keep pace with the number of presentations and there is a risk that quick acceptance decisions are made rather than more intensive case work that may prevent homelessness or result in a negative decision.
- 1.17 The Government have recently announced a Department for Communities and Local Government's homelessness strategy, calling on authorities to work with the voluntary sector to provide services to anyone who needs them. *Making every contact count: a joint approach to preventing homelessness* also wants town halls to adopt, and annually review, a 'proactive' approach to reducing homelessness. They should also help prevent mortgage repossessions by liaising with central government support services, such as the Mortgage Rescue Scheme, which gives people financial help to keep their home. It will be difficult to respond to this if the resources necessary are not available.

Homelessness Key Performance Issues

2. Bed and Breakfast Use

- 2.1 The numbers in Bed and Breakfast is going up. It is the highest it has been since December 2012. At the end of September 2012 it was 13 and this is increasing. It has been less than 6 most quarters.
- 2.2 Government targets did not differentiate between Bed and Breakfast and other Temporary Target but Sheffield has set its own target for B+B because this is the worst kind of temporary accommodation and there are specific requirements about using this for families and young people aged under 18.
- 2.3 Sheffield has been ambitious in setting a Bed and Breakfast target of 0 but thought this was achievable due to the plans to introduce a Supported Accommodation Pathway to give customers immediate access to supported housing if they didn't have anywhere else to stay.
- 2.4 The reduction of B&B use has been particularly successful as we have managed to reduce the number from 70 to just 1 over the same period from March 2010 to March 2012. This has bucked the national trend as B&B use has nearly doubled nationally during the last 2 years.
- 2.5 Majority of people in B+B are single and the average length of stay is five days.
- 2.6 We have increased some access to Supported Housing by negotiating assessment beds for example with St Anne's and 4 young people projects. This has helped to keep the use of B+B relatively low. However, the target of 0 is not attainable without implementing the Supported Accommodation Pathway. In fact use of B&B is realistically likely to increase to some degree as demand for service increases. The trend is upward...
- 2.7 The budget for B&B was reduced by 15% this year and there is a risk that if the trend of increased use continues the budget will be overspent at the year end. This has a knock on impact for the hostel subsidy loss which is the amount the authority has to pay for B+B that cannot be claimed as housing benefit. We got this down to c£200,000 last year but risk increasing (was c £1.2 m 3 years ago).

3. Temporary Accommodation Use

- 3.1 The number of Households in Temporary Accommodation is still below target but is moving in the right direction. In June 2012 there were 158 households the target being 121.

- 3.2 In Sheffield we now compare well to other local authorities on minimising the use of temporary accommodation. As at 31st March 2012 Sheffield had 0.7 families in temporary accommodation per 1000 households compared to the national average of 2.3.
- 3.3 We have also managed to successfully reduce the use of temporary accommodation over the last couple of years from 277 as at 31st March 2010 to 168 as at 31st March 2012, whereas nationally (and for most other core cities) there has been no change.
- 3.4 We wanted to have a more aspiration target and reduce Temporary Accommodation by a further 60 units when the Supported Accommodation Pathway is in place. This would enable us to reduce the number of Commissioned TA units and help with the required Supporting People budget savings.
- 3.5 There is a risk that the use of Temporary Accommodation may increase if we cannot implement the Supported Accommodation Pathway.

4. Homelessness preventions

- 4.1 The number of homeless preventions has reduced
- 4.2 Increasing the numbers of preventions achieved is critical if a reduction in the number of acceptances is to be achieved and therefore use of TA/B+B.

5. Projections

Whilst Quarter 1 of 2012/13 has seen a fall in acceptances, we have started to do some modelling and projections to help us prepare for what the impacts would be if homeless continues to increase. We will continue to develop this to inform service planning, and prioritisation of resources going forward

Projected Increases in Acceptances - 10% Increases in Acceptances

Year	11/12	12/13	13/14	14/15
Acceptances	1383	1521	1673	1841
Temporary Accom	168	200	230	260
B+B	1	30	50	70

Projected Increases in Acceptances - 20% Increases in Acceptances

Year	11/12	12/13	13/14	14/15
Acceptances	1383	1660	1992	2390
Temporary	168	202	242	290

Accom				
B+B	1	50	75	100

6. Challenges

The Homeless strategy and accompanying action plans need to be reviewed because the national landscape has changed with increase in homelessness, economic environment and welfare reforms. Key areas we need to address are:

6.1 Prevention of Homelessness

- There is a statutory requirement to prevent homelessness and this is a better outcome for customers, has fewer costs to the council and partners. We have some prevention measures in place and have been at the forefront of developing these e.g. high support, prison release service, sanctuary scheme, housing aid and housing options, mortgage rescue, homeless prevention funds, private rented solutions young peoples joint service but there is not yet a coherent strategy to develop these underpinned by an investment plan and they do not yet form a significant enough element of our offer.
- To effectively prevent homelessness and minimise the impacts when a housing crisis does occur, we need to further develop approaches that differentiate between different customer groups and different reasons for a housing problem arising for example our work with 16/17 year olds with CYPF which supports the young person to remain at home, is very different to our Repossession Prevention Fund to help with housing debt and lift the threat of eviction by a landlord or mortgage lender for the whole household.
- We need to develop strategic and policy approaches which are coherent in supporting independent living and don't inadvertently "shift" the challenges from one service to another e.g. evicting people for arrears from our own properties who then present as homeless and may be re-housed by us or require support from Social Services.
- We need the right tool kit for officers e.g. more affordable private rented accommodation, discretionary funds, access to supported housing, advice and advocacy services including negotiation and representation, money advice, specialist support worker and key workers to help sustain current housing or move in a planned way.
- Need to offer Private Rented Accommodation at first housing options interview as a discharge of homelessness duty to get customer quickly to settled accommodation and reduce pressure on social housing
- Need to provide help at the earliest possible point – we are stream lining access to a combined Housing Aid/Housing Options function to enable people to be quickly assessed at whatever point they contact us and be offered good quality information, support and advice with specialist casework if needed. Essential to this is the telephone advice service –

have asked for this to be prioritised in Customer First Programme but do not have a time line agreed.

- Reviewing approach to “homeless at home” (duty accepted and customer stays in current temporary accommodation usually with a friend or relative) – high rate of refusals of offers of accommodation compared to those who go in to temporary accommodation so we feel there may be an issue of is there a genuine homelessness, do people collude to get a homeless priority and when they realise what the Council offer is decide to stay at current home anyway?

6.2 Supported Accommodation Pathway

- This is the next major initiative that has been agreed to significantly reduce the use of both B+B and TA for those who do need emergency housing. This will make sure the available Supported Housing is used as a City wide resource to best match customer need to available support. We know from research carried out for us by Homeless Link that we are exercising little control over the support we are commissioning and that some of this resource is being used by customers with low support needs who could more appropriately live in non supported settings thus freeing up resource for those in Temporary Accommodation/B+B.
- Due to the budget pressures, the Supporting People programme is being reduced by 30 % over a three year period - if homelessness continues to grow there is a risk that the available schemes to support homeless customers will be outstripped which will cause more use of TA/B+B therefore it is crucial to make sure available resources are effectively used.
- The Pathway hasn't been implemented because the funding needed for the necessary ICT solution (c £300k) was contained in the requested carry forward from 2012/13. This was not approved and therefore alternative funding is being pursued through capital programme.

6.3 Private Rented Solutions

- Business case for further development of Private Rented Service has just been finalised within existing resources (£318,463 - funded by homeless grant, general fund and supporting people). However, to make this a viable alternative to social housing for our customers more investment is likely to be needed.
- Our current planned level of investment only allows for the creation of approximately 350 new tenancies a year across both priority and non priority groups – so there is a limited impact on acceptances unless we can expand the numbers who can use this option.
- Demand for private rented accommodation is growing amongst other customer groups and this makes it challenging to find Landlords who will work with us unless we are able to offer attractive packages to them e.g. making good, minor repairs, tenancy support etc. (similar to the current Asylum Team offer).

- Rent levels are increasing, and restrictions on housing benefit mean it is harder to find affordable properties – working with landlords who will set rent levels that our customers can afford is a challenge that will also possibly require further investment to make this attractive e.g guaranteed occupancy/underwriting rent.
- We have been able to use Private Rented accommodation particularly for larger families where we have no suitable Council accommodation. Because of the benefit caps this is increasingly difficult unless landlords will reduce their rents.
- The single room rent restriction being expanded to single people under the age of 35 means we will need to be able to offer shared accommodation – this may take more resources to support tenancies as vulnerable people sharing accommodation are likely to need a higher level of intervention.

6.4 Homelessness Prevention/Repossession Prevention/Mortgage Rescue

- The Council has discretionary funds aimed at either dealing with housing debt or any associated costs that could prevent homelessness. We are the regional top performer for the Mortgage Rescue Scheme. Our prevention (payments up to a £1000) and repossession funds (payments over £1000) have provided a relatively low cost way of preventing homelessness and were funded by DCLG. Payments are usually a few hundred pounds from the homeless prevention fund and a couple of £1000 on average from the repossession fund (max payment is £1500. The fund also paid for money advice and additional housing advice (2 FTEs).
- This is not ring-fenced grant monies and the award of £250k for 2012/13 was paid to the Council in March 2012. None of this money has been allocated to the funds in this year as a decision was made not to prioritise this from the reduced amount of carry forward the Portfolio had available to it.
- Each case is evaluated on value for money basis – the majority of all cases helped would have been owed a full homeless/re-housing duty. Whilst precise cost benefit analysis has not been undertaken, research in 2008 by the New Economics Foundation indicated that there was a cost of homelessness of £26 k per household to the public purse on average.
- With no identified budget in this year, we cannot recruit to the posts for money advice and housing advice previously funded by additional CLG monies.
- We are using some under spend on the B+B budget (£30,000) to keep the funds going for now but this will not sustain fund going forward.

- We are considering scope to combine these funds with other discretionary funds to support people in crisis e.g. Social Fund and Children's Act section 17.

6 .What does this mean for the people of Sheffield?

- Vulnerable people in Sheffield will not get the Supported Accommodation according to their needs if the Supported Accommodation Pathway is not implemented.
- If vulnerable homeless people are seen earlier, homelessness may be prevented and they will be able to stay in their own home.
- Resources are not being targeted at those who need it most
- Housing benefit reforms will impact on the people of Sheffield. It has been estimated by Sheffield Homes that the benefit reforms due to bedroom numbers in social housing will affect 6,000 households in Sheffield.

7. Recommendation

The Committee is being asked to consider the report and provide views and comments.

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