

#### CABINET

Date of Meeting	Tuesday, 18 <sup>th</sup> July 2017
Report Subject	Housing (Wales) Act 2014 – Homelessness
Cabinet Member	Deputy Leader of the Council and Cabinet Member for Housing
Report Author	Chief Officer (Community and Enterprise)
Type of Report	Strategic

#### EXECUTIVE SUMMARY

The Housing (Wales) Act 2014 introduced new homeless legislation in April 2015. This report provides an update on how the council has met the requirements of the new homeless legislation and some of the projected challenges that face the council.

The transition funding made available by Welsh Government has been used to support some key areas which contribute to the prevention of homelessness and increase the availability of suitable housing options. The Council welcomed the new legislation which placed a greater focus on prevention activity. The homeless service in Flintshire was restructured to maximise capacity and Supporting People commissioning has focussed services to support prevention activity.

However, there has been an increase in numbers of households seeking assistance and the service is forecasting additional pressures due to a combination of factors. The roll out of Universal Credit will see more families facing financial hardship and needing assistance and the LHA cap will limit the availability of affordable accommodation particularly for single people under 35.

The Council has seen an increase in the numbers of single households where no affordable housing can be identified which are cases that would be at risk of rough sleeping in the county. The Council currently provides accommodation for all households at risk of rough sleeping, irrespective of whether there is a statutory duty to provide accommodation which is placing a growing financial burden on the Council.

The service is forecasting an increase in demand alongside a potential reduction in resources and suitable solutions. This report proposes innovative housing

developments to increase the supply of affordable accommodation for the under 35 age group. It also includes proposals for improved temporary accommodation and more cost effective shelter for rough sleepers. These proposals will enable the Council to continue to prevent homelessness and avoid any rough sleeping within the County.

RECO	OMMENDATIONS
1	Cabinet notes the update on the management of the new legislation within the Housing (Wales) Act 2014.
2	Cabinet notes the challenges that the council has faced finding suitable housing options for households and the further risks to this should, transition funding cease and/or Supporting people funding reduce.
3	Cabinet approves in principle, the proposals to develop new housing provision to alleviate homelessness in the county.

# **REPORT DETAILS**

1.00	EXPLAINING THE HOUSING (WALES) ACT 2014 – HOMELESSNESS LEGISLATION	
1.01	Background	
1.02	The Housing (Wales) Act 2014 reflects the Welsh Government commitment to reinforce the prevention of homelessness as set out in its Ten Year Homelessness Plan. The legislation introduced by the Act on the 27th April 2015 represents the most fundamental change to homelessness legislation since the Housing (Homeless Persons) Act was introduced in 1977. The legislation has introduced an explicit focus upon the prevention of problems rather than simply processing people through crises and, if implemented effectively, aims to result in fewer households experiencing the trauma of homelessness.	
	Key features of the legislation include:	
	<ul> <li>A new statutory duty for Local Authorities to take reasonable steps to help people prevent homelessness;</li> <li>Extend the definition of 'threatened with homelessness' from 28 to 56 days;</li> <li>A power rather than a duty to apply the homelessness intentionality test;</li> <li>A new power allowing Local Authorities to discharge their homelessness duty through an offer of suitable private rented sector housing; and</li> <li>Stronger duties on Housing Associations to, when requested, provide co-operation and support to local authorities in carrying out their homelessness duties.</li> </ul>	

1.03	Homeless Prevention
1.04	The legislation places a much stronger emphasis on prevention and the legislation also has a focus on the customer, helping them to identify and address the causes of homelessness and make informed decisions on finding solutions to their housing problem.
	The new statutory duty upon a Local Authority to prevent homelessness for all those who present with a housing need has meant that many households now receive more help and support than the limited assistance they would have been entitled to under the previous legislation.
	The Council welcomed the new legislation and the sections below detail how services have been developed to manage the new requirements and focus on homeless prevention.
1.05	Triage Service
1.06	The triage service is the 'gateway' for all enquiries from people who are in housing need or require assistance. The triage team not only identify whether someone is eligible to go on the register for social housing but also identify if someone is at risk of homelessness or requiring housing advice and assistance. As the confidence and experience of this team has developed, it has been able to provide better advice and housing options to customers. For example, those looking for affordable housing are provided with wider options of how a sustainable housing solution can be attained and those identified at risk of homelessness are forwarded directly to the Housing Options Team.
	The effectiveness of the triage service has relieved pressure on the specialist Homeless Officers who are carrying large caseloads. For example, the triage team take detailed information to form an individual's initial housing assessment and, as appropriate, provide low level housing advice and assistance. Consequently, the Homeless Officers are freed up to manage more complex homeless cases and no longer process referrals and applications for the housing register, Bond Scheme or support services.
	The triage service is available over the phone or face to face within any Connects Centre. The training provided to triage staff on available housing options in the county has been rolled out to staff in Housing Options, NEW Homes and the Housing Management Team so that all staff are providing consistent detailed information to all our existing tenants and new customers.
	In 21016/17, there were 3,362 triage applications completed for customers approaching for housing assistance which represents a 35% increase in enquiries when compared to the same reporting period in 2015/16. The chart below shows how the number of cases being dealt with and resolved by the triage team has released pressure on Housing Options through the year with 63% of cases being managed at first point of contact or referred to other teams.

			Number of		Number of	
		Number of Triages	Referrals to Duty	%	referrals to other Housing Solutions	%
	Quarter 1	828	269	33%	559	67%
	Quarter 2	960	388	40%	572	60%
	Quarter 3	768	363	47%	405	53%
	Quarter 4	806	212	26%	594	74%
	Total	3,362	1,232	37%	2,130	63%
1.07	Housing C	Intions				
1.07		•				
	During the period April 2016 to March 2017, the Housing Options Team received 1,232 referrals from triage for households who were homeless or at risk of homelessness within 56 days. The figures at the end of the year demonstrate the team has successfully prevented or relieved homelessness in 79% of cases that were closed within the reporting period. The figures for the full year show that despite a significant increase in customers approaching the triage service, the number of customers being referred to Housing Options has remained steady over the past three years.					
1.09	Supporting	g People				
1.10	The continued join up and focus of Supporting People services on homeless prevention activity has contributed to the outcomes of the service. A restructure of the Customer Support Service in March following a voluntary redundancy request brings the Supporting People Service and the Housing Options Team under one manager providing further opportunity to align the services. The services will further develop early intervention activities and positive outcomes for families by working with other statutory services as part of the multi-agency Early Help Hub based in Flint.					
1.11	CHALLEN	GES FACI	NG THE C	OUNCIL		
1.12	Availabilit	y of Housi	ng			
1.13	homelessn there are r alternative could not accommod successful	ess and er many exan accommod adequatel ation throu homeless housing op	hable a houn nples wher dation mus y meet th ugh relying prevention ptions, whi	isehold to re this is it be sour ie need on socia n outcome	wherever possible remain in their hor not an achievable rced for a househol for the provision al housing alone. e the service need e made available t	ne. However, outcome and ld. The team of alternative To achieve a s a supply of

1.14	The Social Housing Register
1.15	The numbers on the social housing register are increasing, there were 960 households on the list in April 2016 and this has risen to 1,573 in June 2017. The average wait time for a 3-bed social housing property for a local household at risk of homelessness or with a non-urgent housing need is 11 months. This is a reasonable timeframe for those in most categories of housing need but does lead to short temporary accommodation stays for those at risk of homelessness within 56 days. However, the demand for smaller social stock outstrips supply and presents a much more challenging situation.
	37% of all households on the common housing register are individuals under 60 years requiring single 1-bed accommodation. However, only 6% of the stock across all the social landlords in the county are 1-beds or bedsits available for single applicants under 60. This leads to excessive waiting times for single households. The housing associations in the county are working with the council to provide shared spaces in family accommodation to relieve this issue.
1.16	Private Rented Sector
1.17	North East Wales (NEW) Homes and the Bond Scheme make available a supply of private sector options for households. Furthermore, the management of properties by NEW Homes increases the sustainability of tenancies and helps the private rented sector be viewed by households as a more settled option.
	Transition funding provided by Welsh Government to assist councils manage the implementation of the new legislation has been used to fund a post in the Environmental Health team. The role works with landlords to improve the condition of properties to prevent homelessness in the first instance and also to check that any properties used to relieve homelessness or discharge a homeless duty are of an adequate quality and meet the requirements of the current legislation which includes Rent Smart Wales. The service has been carrying out Healthy Homes Healthy People Visits of those tenants seeking assistance from the Housing Solutions Service to see what other assistance can be provided to the tenants while at the properties, such as reducing fuel bills. This shift does not just focus on the property condition but takes a holistic approach considering the wider issues that could affect the tenant's health and wellbeing.
	A significant proportion of private rented properties, particularly shared housing, in Flintshire is below the minimum required standard and the requirement to meet these standards has caused delays and reduced the availability of suitable private rented options. There were 46 Bonds issued in 2016/17 to help people access private rented properties compared to 133 the previous year. This reduction in available properties has reduced available options for households being assisted by the council. The services continue to work together to raise standards and encourage landlords to work with NEW Homes and the council to provide sustainable solutions for households.

1.18	Interim Accommodation
1.19	Once the Council has accepted a duty to prevent homelessness for a household, the focus is to enable the household to stay in their existing accommodation, if this is possible, or identify a suitable and affordable alternative accommodation. If neither of these options are successful and a household has to leave their property, if there are no safe options to stay with family or friends then the council has a duty to accommodate those who are deemed an apparent priority need.
	In Flintshire, the council goes beyond the statutory duty and provides interim accommodation for anyone who has nowhere to stay irrespective of their priority need status. Families with dependent children are always a priority so it is mainly single people with no vulnerability who are placed under a 'power' whilst support is provided to find alternative options. In 2016/17 some of these placements became quite extended stays due to the lack of suitable and affordable move on options from interim accommodation.
	Reducing the use of B&B accommodation remains a priority for the service but the availability of accommodation presents a challenge particularly for single people. In 2016/17, the cost of B&B accommodation was £150,000 which does represent an increase on the previous year.
	In order to reduce B&B costs the service needs to focus more pro-active activity at the earliest opportunity. The capacity, structure and focus of the Housing Options Team in 2017/18 has been modelled to deliver improved outcomes in this area. However, there has been a general increase in B&B expenditure in 2016/17 in other councils across the region which reflects some of the external pressures. The two main factors affecting the increased use in Flintshire are highlighted below:
	i) Welfare Reforms The shortage of accommodation for single people is a huge challenge in relieving homelessness in the first instance and moving people on from interim accommodation. This has been exacerbated by various welfare reforms, which have been introduced since 2013. For example, applying the single room rent rules until a person is 35 years old, has resulted in more single people being advised that within the private rented sector, their maximum Housing Benefit award will be capped at the rent for a room in a shared house. Frequently, such accommodation is not appropriate especially for those with access to children to have overnight stays. Very often this means that for those in receipt of benefits, the only affordable option is a one-bedroomed property in social housing.
	However, as mentioned above the demand for one-bedroomed social housing flats outstrips supply. The single room rent rules will be introduced for social housing in 2019 for all tenants signed up after April 2016. This means the availability of options for those under 35 years old in receipt of benefits will be further reduced. There are only 21 general needs bedsits in the current social housing stock in Flintshire.
	In addition, it is important to recognise that the county does not have a large

In addition, it is important to recognise that the county does not have a large supply of shared housing within the private rented sector and even good quality shared housing does not meet the expectations of many single households and some choose to not accept the accommodation.

### ii) Rough Sleepers

In addition to the pressures detailed above, one of the factors leading to this increase is the issue relating to rough sleepers. Rough sleeper figures show a 30% increase in rough sleepers across Wales between 2015/16 and 2016/17. In the last year, the Night shelters in Denbighshire and Wrexham have introduced local connection policies in line with funding requirements that give priority to local people within those counties. This has left an increased number of people in Flintshire with no other options who are being provided with interim accommodation.

The council currently accommodates all those that have no safe place to stay and the lack of available move on options means that these stays can become weeks rather than days. A review of the placements and costs during the key winter months would suggest that 14% of the B&B budget is spent on households where the council has no duty to accommodate but does so to prevent rough sleeping. In addition, these individuals are placed in the range of other temporary accommodation units available which does not cost the council. However, this creates a lack of capacity within temporary accommodation and leads to additional B&B placements for those with a priority need who are owed a duty by the council. Other councils in the region have a cold weather policy in place so that if the temperature dips to a certain level they will then accommodate all rough sleepers irrespective of priority need status.

1.20	MANAGING THE PRESSURES
1.21	Transition Funding and Supporting People
1.22	The Welsh Government has made available transition funding to support the implementation of the new legislation. Flintshire was awarded £228,000 in 2015/16 to support the transition. This funding allocation was reduced to £140,000 in 2016/17 and £130,000 in 2017/18, which is expected to be the final year of allocation.
	It is pleasing to report that Flintshire was commended for its use of the transition funding in a review by Shelter Cymru evaluating the success of the new legislation.
	The funding is providing two additional homeless prevention officers in the team and supporting some key roles in the Private Sector Team and Environmental Health. Removal of this funding in 2018/19 will mean a reduction in 4.5 important posts. The service would be unable to prevent homelessness at the same level with such a reduced capacity and would need to submit a budget pressure.
	The Council has also focussed its Supporting People commissioning function on ensuring that services funded by Supporting People Programme Grant are contributing to homeless prevention. Targeting funding at those

	services that can demonstrate the contribution and evidence of homeless prevention outcomes is a core aspect of the monitoring and review process.
	The Support Gateway which sits alongside the Housing Solutions Service handled 1,420 referrals in 2016/17. This represents a higher number than the cases at immediate risk of homelessness forwarded to the homeless service and demonstrates the key role these services play in easing pressure on the statutory service by delivering early support, advice and assistance. Figures for quarter one suggest this number will increase in 2017/18.
	Reductions to either of these funding streams presents a significant risk of a growing financial burden and increases in homelessness.
1.23	New Developments
1.24	i) Increase Availability
	In order to reduce B&B use for single households awaiting a permanent housing solution, the service set a target to bring on line 27 leased temporary units which are all up and running. It is intended that single people reside in these properties as a 'short-term' solution to their housing need as the rents are high and can act as a disincentive for a person to enter employment. However, it is already apparent that the required move through to permanent accommodation is not being achieved. To ensure that there are available properties to prevent homelessness and a proactive movement of homeless single households from the temporary units (and consequently reduce the number of single people within B&B's) addressing the lack of permanent suitable and affordable accommodation for single people within Flintshire must be viewed as a priority for the Council.
	The restrictions on single households mean that there is an increased need for a different type of housing which is affordable for single people under 35.
	The Council is working with partners to make available more shared accommodation within existing private rented and social housing properties.
	In recognition of the urgent need to increase affordable provision for the under 35 age group, the Council will be prioritising this group and seeking support from the Innovative Housing Fund to develop small self-contained units for single people that are affordable and an increased number of shared units with ensuite facilities. The Council recognises that adequate availability of permanent, affordable housing is key to preventing homelessness in the county.
	ii) Temporary Accommodation
	The council has a good supply of supported temporary accommodation for families and occasionally has to use private hotels in urgent cases or when spaces are not available.
	The council currently uses private shared accommodation for single people. This accommodation is expensive to use and delivers limited positive

outcomes in terms of move on or tenants sustaining accommodation. It is expected that moving forward in the interim, even taking forward other initiatives and developments, there will remain a requirement for some level of temporary accommodation for single households.

There is the potential to deliver this in a more efficient and effective way by providing a better quality accommodation that has links to other services and focuses on education, work and learning. For many single households, the need to address barriers to accessing work will be essential to a move on option that meets customer expectations for a permanent housing solution.

A recent report commissioned by the North Wales Supporting People Regional Collaborative Committee identified the need for this kind of temporary accommodation for people leaving prison. The report notes that this provision needed to be in addition to existing supporting people funded services for single people.

The Council will be seeking support from the Innovative Housing Fund to develop temporary accommodation which provides a transformational, positive environment and an opportunity for a period of assessment and stabilisation targeted for those who wish to address issues and break the cycle of homelessness.

## iii) Rough Sleeping

The Council currently accommodates all those without a safe place to stay in B&B or temporary accommodation. This approach is not in line with other Local Authorities in Wales who will accommodate those deemed a priority need and all others in line with a cold weather policy.

This approach is creating an increasing financial burden on the Council. Current legislation places a duty on the Council to accommodate anyone with an apparent priority need, this will include for example someone with a vulnerability due to age, mental health issues, a learning difficulty or drug and alcohol problems.

The Council is committed to preventing rough sleeping but recognises the need to seek alternative options to the use of B&B and hotel places that are costly and at certain times are scarcely available.

The council will be seeking to develop temporary shelter for rough sleepers which can be brought into use when needed.

The Council will also be working with third sector providers and charities to set up a fund to support those who are homeless or at risk of homelessness. This fund will provide essential items for those who are homeless and will support the running of a Temporary Shelter, funds will also be used to support positive move on for those that have experienced homelessness. The Council will provide funding which it is hoped will be boosted by support from partners, charities and fundraising activity.

### iv) Housing First

The Council also wants to explore a completely different approach which aims to reduce some of the trauma of homelessness particularly for families with children and young people. Housing First is a different approach that aims to end the use of temporary accommodation by rethinking how we deal with homelessness altogether.
It is a model that has been used widely in Canada, the USA and some countries in Europe for people with medium and high support needs and has proven to be effective in terms of people sustaining their accommodation and reducing their use of temporary accommodation, emergency health, prison and other services.
The approach sets no preconditions on people in order for them to access accommodation, for example no requirement to be drug or alcohol free or to have sustained temporary accommodation. Accommodation is provided, quite often in the private rented sector, and support provided to meet the needs of the individual. Housing First support requires a multi- disciplinary approach that goes beyond homelessness and housing-related support.
This approach would involve housing being provided by social landlords or private sector landlords with the legal agreement being held by the council or a third sector provider with rent guaranteed until the household is ready to take over responsibility. Pursuing this approach requires a commitment from a range of statutory partners.
This report proposes that the service develops a 'Housing First' scheme in partnership with social landlords, private landlords and statutory and support services. The availability of accommodation means that this will only be a suitable solution in limited cases but could play a significant role in preventing homelessness, B&B stay and unnecessary moves for vulnerable single people or families with children.

2.00	RESOURCE IMPLICATIONS
2.01	The Welsh Government recognised that the implementation of the new homelessness prevention duties would lead to increased costs for Local Authorities. Therefore, in 2015/16, 2016/17 and 2017/18 they made transitional funding available to assist Local Authorities to meet these additional costs on a sliding scale. Flintshire has received £130,000 in 2017/18 which is less of a reduction than originally projected. The funding is providing two additional homeless prevention officers in the team and supporting some key roles in the Private Sector Team and Environmental Health. Removal of this funding in 2018/19 will mean a reduction in 4.5 important posts. The service would be unable to prevent homelessness and with reduced capacity and would need to submit a budget pressure.
	The new developments will be reliant on successful bids to the Innovative Housing Fund for initial capital investment. The exact figures for these developments will be scoped and included in detailed bids for funding. The initiatives would realise a significant reduction in ongoing spend on temporary accommodation.

The Housing First Model on a small scale could be implemented within existing resources in Housing. The model does rely on sign up and commitment of staffing resources from other services but this should be achieved by targeting existing resources in a preventative approach. If implemented successfully this initiative can reduce pressure on statutory services by reducing hospital admissions, custodial sentences, costs of mental health and drug and alcohol services as well as reduced evictions and temporary accommodation costs.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None

4.00	
4.01	The need to use B&B/temporary accommodation is dependent on the balance between the number of households presenting in need of housing assistance and the availability of suitable and affordable accommodation. The priority is for the team to prevent homelessness by assisting households to stay in their own property by overcoming the various problems which are putting their continued occupation at risk.
	However, each year there are a number of households who cannot remain at home and the team must source alternative suitable and affordable accommodation either in the social housing or private rented sectors. Where this cannot be sourced in a timely fashion, then households may have to be placed in temporary accommodation or B&B accommodation. Should the availability of affordable housing options reduce then the requirement to use temporary housing options, including B&B, will increase.
	Even if the number of households presenting to the Council at risk of homelessness remains steady over the next few years, there is already evidence that the availability of alternative accommodation for these households, to prevent their homelessness, is reducing and predicted to reduce further. This will lead to the increased usage of B&B as temporary accommodation for homeless households.
	The largest risk to increased use of B&B will be single people. In order to maintain or reduce the level of B&B, there is a need to focus on:-
	<ul> <li>Alternative housing solutions particularly for single under 35 group</li> <li>Maintain the level of prevention activity with a focus on performance and demonstrable outcomes.</li> </ul>
	<b>Mitigation</b> Continue the effective use of funding spend to save prevention projects that should become self-funding if they successfully reduce the need for B&B to

be used as temporary accommodation.

For example;
<ul> <li>An Environmental Health officer who works with landlords in the private sector to resolve issues that make the home unsuitable and therefore prevent homelessness in the first place (without this work a household could be a priority for rehousing and we lose valuable accommodation in the PRS)</li> <li>A post focussed on working with landlords and increasing the availability of affordable housing options in the private rented sector through incentives and management options for landlords.</li> <li>Additional prevention activity and funding to reduce the numbers that become homeless by assisting them to remain in their home or support to move to alternative accommodation.</li> <li>The change in homeless legislation with an additional focus on prevention is intended to achieve a reduction in numbers actually becoming homeless and requiring temporary accommodation. This remains a key performance target for the officers who are encouraged to think and use the budget available to them creatively.</li> <li>Taking forward alternative models to increase supply i.e. shared housing models and re-designation of existing stock.</li> <li>A focus on modelling Supporting People projects to ensure they are contributing to homeless prevention.</li> </ul>
There are wider factors to consider and reductions to the Supporting People budget is a significant unknown that could impact on the risks and ability to mitigate against these risks. Also, the implementation of Universal Credit will result in households having more responsibility for managing their household budget, including their rent payments. If the safeguards built into the Universal Credit do not work effectively, more households will become at risk of homelessness and the number of private landlords willing to let to low income households may reduce.

5.00	APPENDICES
5.01	None

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None Contact Officer: Katie Clubb Telephone: 01352 703518 E-mail: Katie.clubb@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	Welsh Government Ten Year Homelessness Plan – This ten year plan describes how homelessness in Wales will be tackled between 2009 -
	2019. This Ten Year Plan sets out some guiding principles for the

development and delivery of homelessness services.

**Housing Solutions Triage –** the initial discussion with the customer about their circumstances and housing need.

**Transition Funding** – a grant made available to Local Authorities to assist with the implementation of the new legislation. This is available over three years with the level reducing over the period.

**Single Access Route to Housing (SARTH) Policy –** the regional common policy for all major social landlords allocating social housing properties across Conwy, Denbighshire and Wrexham.

**Early Help Hub** – a multi-agency team focussed on delivering preventative services and interventions for families to prevent issues escalating and reduce pressure on statutory services.