

Temporary Accommodation Reduction Action Plan

OPEN	
SUSTAINABLE COMMUNITY STRATEGY THEME:	Improved Health and Wellbeing
CORPORATE PLAN AIM:	A Better Quality of Life
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APPENDICES:	Appendix 1 - Temporary Accommodation Reduction Action Plan Appendix 2 - Mortgage Rescue Action Plan <i>The appendices to this report have been circulated electronically and a public inspection copy is available on request. (See front cover for details).</i>

1. PURPOSE OF REPORT

- 1.1 The report provides Members details of an action plan for reducing the use of temporary accommodation and improving the quality and cost of accommodation used and an action plan for the mortgage rescue scheme to support homeless prevention.

2. RECOMMENDATION

The Cabinet is asked to **DECIDE** to:

- 2.1 **Approve the Temporary Accommodation Reduction Action Plan at Appendix 1.**
- 2.2 **Approve the Mortgage Rescue Action Plan at Appendix 2.**

3. BACKGROUND

- 3.1 The duty owed to homeless households by Local Authorities is outlined in the Homelessness Act 2002, the Priority Needs Order and the Homelessness Code of Guidance. This legislation and guidance places various duties on the Council depending on the homeless household passing five tests of homeless: eligibility.

security of tenure in case further investigations prove that the full rehousing duty (s193) is not owed. Where the full rehousing duty is owed then this can only be discharged in a limited number of ways including rehousing through the Home Choice Plus system but as this is not usually available immediately then more secure and appropriate interim accommodation is provided to the household e.g. temporary accommodation with Community Housing.

- 3.3 The delivery of homelessness and housing advice services has been contracted out to Wyre Forest Community Housing under a service level agreement. This was recently agreed in 2009 and will run for 3 years with an option to extend and an agreement to review in 18 months. In addition to the provision of the housing advice and homelessness investigation service WFCH also arrange interim accommodation through utilising Bed and Breakfasts or using their own stock as temporary accommodation. WFCH assist homeless (or potentially homeless) households in getting permanent housing through the Homeless Prevention Loans service, housing advice or accessing social housing via Home Choice Plus.
- 3.4 In 2003 Communities and Local Government gave all homeless households with dependant children (or pregnant) who had been accommodated in Bed and Breakfast for more than 6 weeks, the right of judicial review against their local authority. In 2010 this will also apply to any 16 / 17 year old accommodated in Bed and Breakfast.

4. KEY ISSUES

- 4.1 Communities and Local Government department introduced a target to reduce the level of temporary accommodation by 50% in 2010 following many years of increases in the number of households accommodated. The 50% figure is taken from a baseline established in 2004. Wyre Forest District Council’s current target for temporary accommodation is 25 units. Below is a table showing the number of units of temporary accommodation (housing those with dependant children, pregnant households and 16 & 17 year olds) at the end of each quarter over the previous three years.

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2007/08	71	68	54	49
2008/09	47	47	23	27
2009/10	31	32		

Taken from P1E data

- 4.2 The Council are required to cover all costs arising from accommodating households in Bed and Breakfast accommodation and have a budget of £206,000 to cover this against this is an income of £181,000 from Housing Benefit. In addition to this the Strategic Housing Services team also have a budget to cover any loss in housing benefit subsidy that occurs as a consequence of using Bed and Breakfasts that cost above the government set housing benefit thresholds (currently £101.39 but until £179.09 a 10% subsidy is also applied). All Bed and Breakfasts that the Council

Years	Temporary Accommodation & HB charges (where no subsidy entitlement)
2007/08	145,468
2008/09	128,104

- 4.4 WFCH use Bed and Breakfast to provide emergency accommodation prior to full assessment of the duty owed and officers try to ensure their investigations are completed within 6 weeks. However this 6 week target is occasionally exceeded which exposes the Council to the potential of judicial review. This is normally where homeless households seek a review against their homeless decision or offer of accommodation and this is upheld or where the investigation is particularly complicated and involves information from a third party which is difficult to obtain. Below is a table showing the number of cases where placement in Bed and Breakfast exceeded 6 weeks.

Year	Total number accommodated in B&B	Total number of cases longer than 6 weeks
2007/08	135	35
2008/09	116	17

- 4.5 The current economic situation is a risk to the council in terms of homeless approaches and there is the potential for there to be an increase in statutory acceptances and corresponding placements in temporary accommodation over the next two years. At the current time home owners in mortgage arrears are protected to some extent by the lenders protocol, mortgage rescue scheme and Support for Mortgage Interest but as the housing market picks up lenders will potentially resort to more court action.

Actions to reduce use of temporary accommodation

- 4.6 The prevention of homelessness is a key way to reduce households having to access temporary accommodation and can be used in all situations where households are not within 28 days of homelessness or where they agree to an alternative way of discharging duty. Prevention methods currently used include the awarding of Gold Plus on the Home Choice Plus system, the Homeless Prevention Loan used to help households access the Private Rented Sector and the Mortgage Rescue Scheme.
- 4.7 The Communities and Local Government department have recently asked Local Authorities to complete a mortgage rescue action plan to ensure all authorities are focused on utilising this key prevention tool and a copy of Wyre Forest's plan is attached at Appendix 2.

Breakfast.

- 4.9 Homeless households should be rehoused into long term permanent accommodation as quickly as possible to avoid the damaging affects that long term stays in temporary accommodation have on family life. We would therefore propose to work with Community Housing to move away from providing units of temporary accommodation in preference to starter tenancies in properties that will become a household's permanent home after 12 months providing the conduct of their tenancy has been satisfactory e.g. no rent arrears or serious tenancy breaches. Starter tenancies are not categorised as temporary accommodation but still afford the RSL the ability to terminate the tenancy should problems arise.
- 4.10 It is also possible to offer homeless households that have been accepted for the full rehousing duty, accommodation in the private rented sector and this is often more appropriate for households who want to live in a particular location or who are seeking a particular property type. The household has to accept the property as a "qualifying" offer (an offer of private rented accommodation) and but can't be obliged to accept it if they deem it inappropriate for their families requirements. This would enable Community Housing to offer a range of housing options to those it has already accepted a duty on but who are facing a long wait in temporary accommodation.
- 4.11 An alternative to the use of Bed and Breakfasts in the form of Private Sector Leasing (PSL) schemes could be considered. However this will not reduce the overall number of units of temporary accommodation or costs to the temporary accommodation budget as these schemes are usually expensive. Changes to the housing benefit subsidy regime proposed for next year may also mean thresholds are imposed on PSL schemes which again will have a negative impact on the housing budget if we are unable to claim back full subsidy. The action plan therefore does not currently include any proposals to consider PSL.
- 4.12 Key to the Council's ability to end the use of Bed and Breakfast for 16 and 17 year olds will be the development of the Foyer in 2010/11. In the meantime the team will address this need through partnership with a private sector landlord to bring empty properties back into use as temporary accommodation for young people, supported by St Basils. For this scheme to be successful there may be a requirement to use existing revenue and capital funding in an alternative way such as potentially utilising both the temporary accommodation budget and capital budget (empty homes grants) to support the foyer costs to achieve a longer term saving to the Temporary Accommodation budget.

5. FINANCIAL IMPLICATIONS

- 5.1 Due to the Authority's legal obligation to provide temporary accommodation to homeless households, there will be ongoing financial implications. However, the actions outlined in the temporary accommodation reduction plan aim to reduce the amount spent on the use of temporary accommodation. Some of the proposals will

- 6.1 The duty owed to homeless households by Local Authorities is outlined in the Homelessness Act 2002, the Priority Needs Order and the Homelessness Code of Guidance. This legislation and guidance places various duties on the Council depending on the homeless household passing five tests of homeless; eligibility, homelessness, priority need, local connection and intentionality.

7. RISK MANAGEMENT

- 7.1 The current economic climate means that homelessness is increasing. The Temporary Accommodation aims to mitigate this by outlining actions that will maximise the use of partner Registered Social Landlords stock and Private Rented Sector stock.

8. EQUALITY IMPACT ASSESSMENT

- 8.1 Both the temporary accommodation reduction action plan and mortgage rescue action plan will be subject to an equality impact assessment to ensure that no-one group unfairly affected by the plan.

9. CONCLUSION

- 9.1 The Temporary Accommodation Reduction plan will assist the authority in meeting its legal obligations whilst providing appropriate accommodation for homeless households. The plan aims to prevent homelessness and reduce the length of time spent in temporary accommodation through working with partners such as Community Housing, Housing Benefits, Registered Social Landlords, Private Sector Landlords and Bed and Breakfast owners.

10. CONSULTEES

- 10.1 Wyre Forest Community Housing have been consulted with in the development of this action plan, along with the Housing Benefit Manager, Resources Directorate and Legal and Corporate Services.

11. BACKGROUND PAPERS

Not applicable