

Overview and Scrutiny



Housing Select Committee Supplementary Agenda

Tuesday, 6 June 2023
7.00 pm, Civic Suite
Civic Suite
Lewisham Town Hall
London SE6 4RU

For more information contact: Nidhi Patil (Tel: 020 8314 7620)

This meeting is an open meeting and all items on the agenda may be audio recorded and/or filmed.

Part 1

Item		Pages
5.	Housing Futures Progress Report <i>Presentation delivered at the meeting</i>	3 - 14
6.	Emergency Housing <i>Presentation delivered at the meeting</i>	15 - 30

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Housing Futures Progress

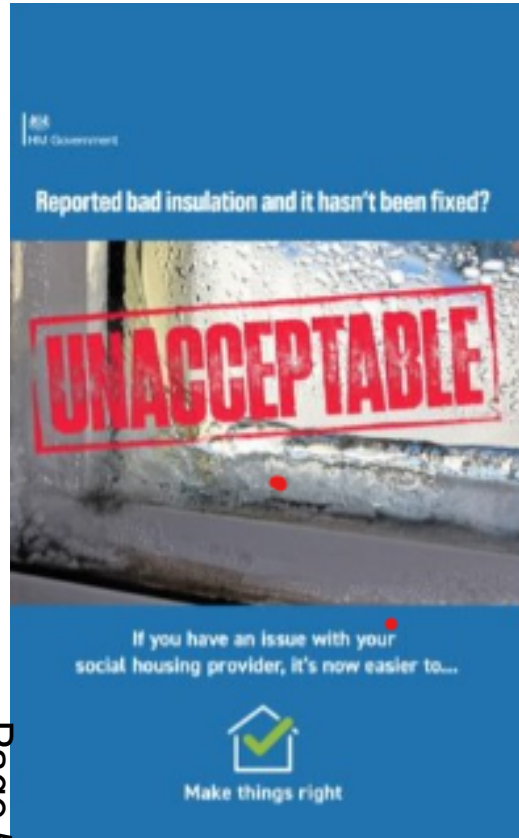
Housing Select Committee
6 June 2023

Agenda Item 5

Update on the Transition

Activity	Date	Status
M&C Options Appraisal gave approval to consult tenants and leaseholders on the future of Lewisham Homes. Preparatory costs of £600,000 approved.	6 July 2022	Complete
Consultation with tenants and leaseholders	August – October 2022	Complete
Decision made by M&C to transfer services into council. Cost benefit analysis noted approx. £300kpa savings (>2yrs) and one off transition costs to manage the process	7 December 2022	Complete
Development team transfers to the council	1 February 2023	Complete
IT, Finance, Technology, Data and Digital, Temporary Accommodation and TMOs transfer to the council	1 May 2023	Complete
New governance arrangements including detailed planning and budgets have been able to identify estimated costs for their respective transition activities.	February – May 2023	Complete
All remaining services transfer to the council	1 October 2023	Ongoing

Drivers for change



- New regulatory standards and legislation for social housing following the Grenfell fire in 2017, increasing landlord accountability for providing safe homes
- The Social Housing Regulation Bill of May 2022 requiring landlords to demonstrate engagement and service performance to residents
- New consumer standards that include requirements for landlords to publish policies on tackling domestic abuse and demonstrate tenant engagement and commitment to the effective and speedy management of complaints
- The requirement to involve tenants so they are a key part of a landlords governance and scrutiny arrangements.

Opportunity: One Organisation

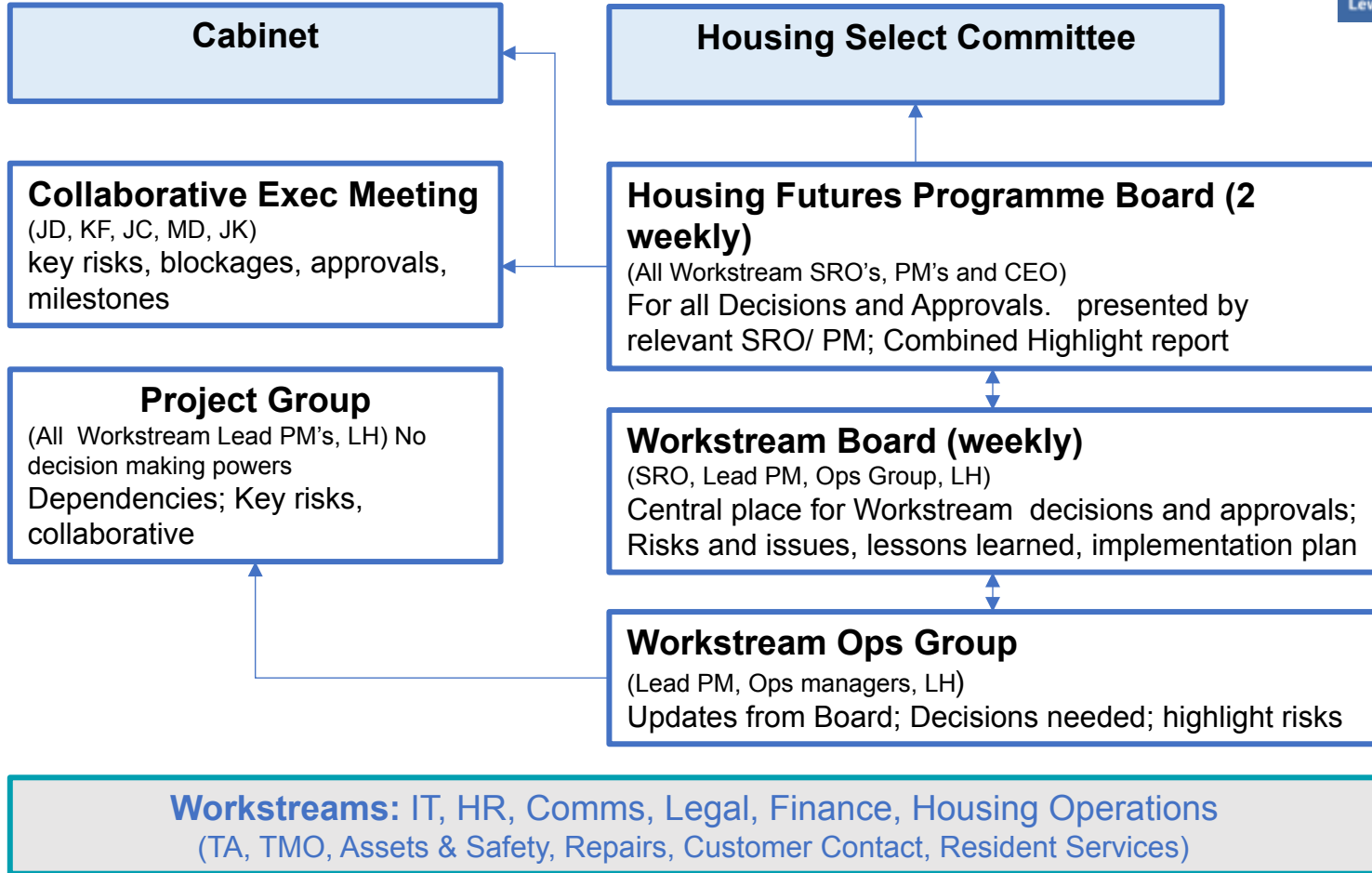
- Streamlining and strengthening governance in line with legal and regulatory changes
- Improving engagement with Council tenants and leaseholders
 - Develop resident involvement
 - Closer links between Council members and resident groups
- New Housing Leadership Team
 - Bring together all aspects of housing
 - Shared expertise, problem solving
 - 600 additional staff
 - Greater career opportunities
- Integrated service
 - Opportunities for efficiencies
 - Greater expertise
- Closer strategic alignment



Programme Governance



7 PRESIDENTS AND LEASEHOLDERS

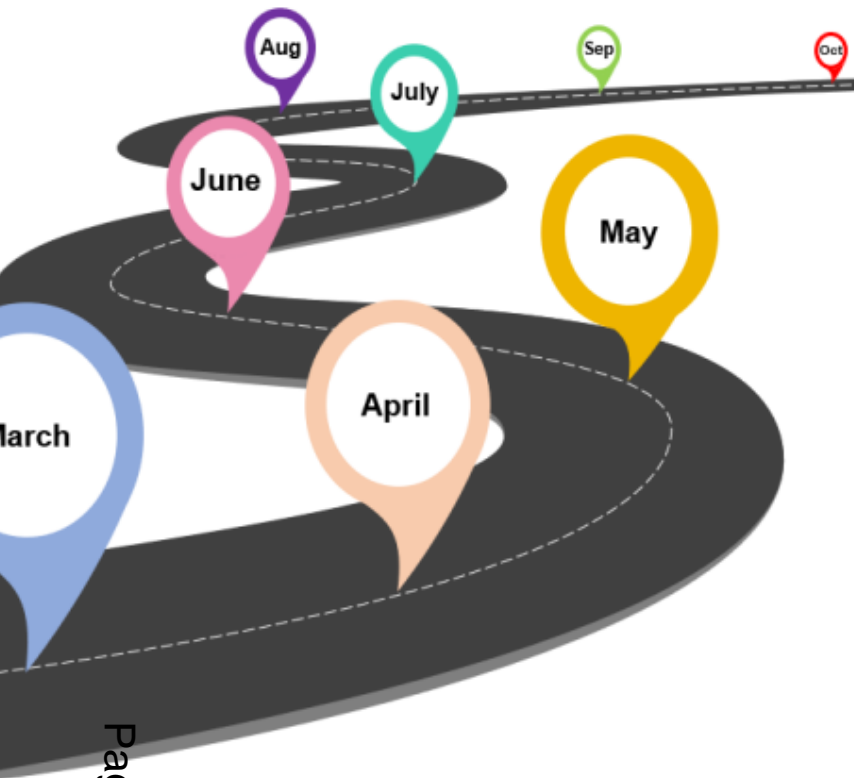


Resident engagement



- Ongoing and close working between Lewisham Homes and Council to maintain links with residents
 - Mail-out to residents and leaseholders
 - Meetings with key stakeholder groups (Leaseholder Forum, TRA Chairs)
- Determine how services will be governed once transferred to the Council and how residents will have a meaningful voice in the management of their services
- Newsletter
 - Information to update on transition and how to continue to access services
- Elected Council members and residents will be closer together as a result of the transition

Staff Transition to Lewisham Council



March

- Approval to transfer services 1 May: Technical Digital and Data, Temporary Accommodation, ICT, Finance.
- Staff & Union consultation starts
- Memorandum of Understanding Signed
- Consultation starts with all remaining services

April

- Consultation Ends for services transferring in May
- Service transfer agreement signed
- Joint Newsletter issued
- FAQ's shared

May

- Transfer takes place followed by induction into LBL
- Consultation ends with all remaining services (add facts, stats)
- FAQ's and Newsletters ongoing

June – August

- Preparation for transfer and staff engagement continues
- Workstreams continue to build understanding and prepare for transfer

September

- Final Employment Liability shared with the Council
- User testing

October

- Transfer takes place

Lessons Learned

LESSONS
LEARNED



- ICT
- Communications and Engagement
- Staff Resources
- Costs

Transition Costs

- July 2022 M&C gave approval to undertake consultation and engagement with residents and carry out an options appraisal, costing £600,000 to be charged to the HRA and covered by use of allocated HRA balances.
- Progress since that report with further information, discovery and detailed analysis of costs. Implementation plans and lessons learned from transferring some services in advance of the October transfer date have revealed a much clearer understanding of actual costs associated with the transfer that were previously unknown (IT and redundancies)
- IT costs significant to enable all staff in both organisations to continue to have technology, systems, applications and hardware needed without interruption to the service.

One off Transition Costs

Transition Costs	Best Case (£m)	Worst Case (£m)
Transition Costs (ICT, corporate, LH, Redundancy, contingency)		
TOTAL	3.3	3.9
Funding Identified (General Fund, HRA)		
TOTAL	-1.9	-1.3
Gap		
• To be covered by additional use of reserves	1.4	2.6

Next Steps

- Mayor & Cabinet 21st June Recommendations:
 - a) Note progress of the Housing Futures programme
 - b) To approve the use of up to £1.9m of existing reserves, including the £0.6m agreed preparatory commitment.
 - c) To agree a further up to £2.6m for additional transfer costs now identified, including a £0.5m contingency, funded from HRA reserves if available or the use of General Fund reserves if not.

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**Lewisham Housing
Select Committee
June 2023**

Background

The presentation will cover the following:

- a) Homeless applications from people who have received a Section 21 notice;
- b) Of those people listed in (a), the number of people the Council owes a housing duty to;
- c) At what stage the people listed in (b) were housed;
- d) an update on the provision of temporary and permanent accommodation out of borough when the applicant faces a risk of violence if they remain in borough.

Section 21 approaches - Demand

- Eviction from an Assured Shorthold Tenancy is the 2nd leading cause of homelessness in Lewisham, following eviction from family/friends. However eviction as a result of s21 is a subset of this.
- In 22/23 Lewisham received 3,554 homeless applications, compared with 3,732 in 21/22 and 3,053 in 20/21. This is a **23% increase since 19/20**.
- The increase in PRS evictions since 2020/21 is since lifting the governments ban on evictions during the pandemic, exacerbated by current housing market conditions.
- Question 1 – is 710 (see table opposite)
 - Note that these are approaches due to end of AST and not necessarily as a result of s21
 - We know 188 of these applicants who were threatened from eviction from an AST were successfully prevented from becoming homeless.
 - 157 of these applicants were owed relief duty, of these 88% (138 households) were owed main housing duty

Year	Approaches due to end of assured shorthold tenancy
18-19	681
19-20	463
20-21	315
21-22	555
22-23	710

Eviction process under S21

Stage	Description	Days per stage	Running total (days)
Section 21	Provides 2 months notice of intent to evict	60 days	60
Claim for possession	<p>Landlord can apply to court for possession after the section 21 expires. Timescales depending on when the landlord chooses to submit this.</p> <p>One submitted, the court will send the tenant a copy of the application and will give them an opportunity to respond to the claim within 14 days</p>	c30 days	90
Order for possession	<p>Possession hearing arranged at court. At the court hearing the judge might:</p> <ul style="list-style-type: none"> Dismiss the claim – if the landlord has not followed the correct procedure Make an outright possession order – this means the judge will set a date to vacate the property. Make a suspended possession order – this means the tenant will have to vacate the property if they do not comply with certain conditions <p>The date will usually be 14 to 28 days after the court hearing, although it could be shorter or longer.</p>	14-28 days	120
Bailiffs warrant	The court will send a notice of the date and time of the bailiff's appointment to repossess the property. This is the final date of legal occupation.	30 days	150

Defence form can be submitted

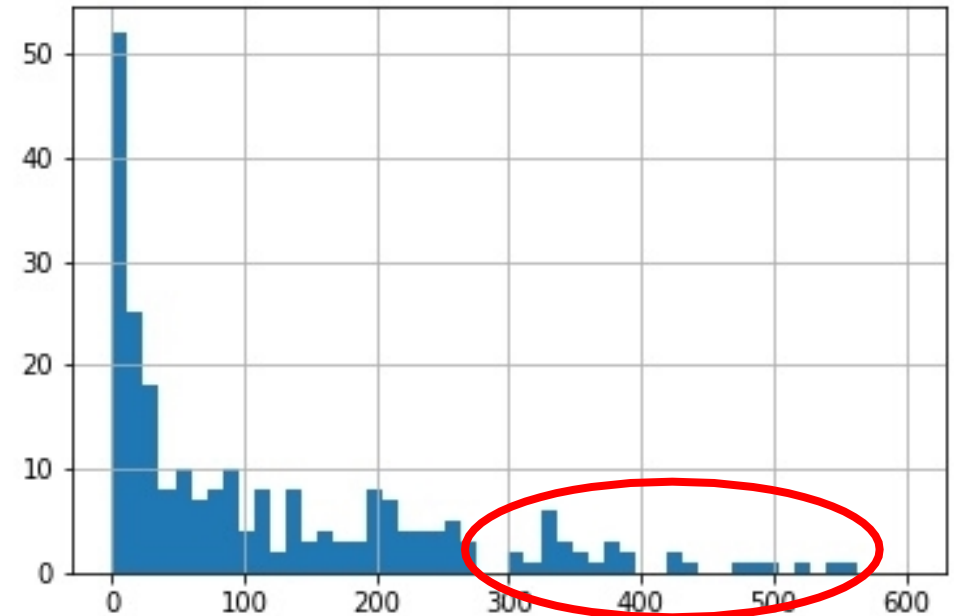
Time between PRS eviction and TA

- We record data on evictions from an assured shorthold tenancy in general. Our current data quality means we cannot run specific reports on what stage of possession proceedings a household moves into TA. However, we can review average timescales.

BASED ON A SAMPLE

- Since April 2020, 237 households who were homeless from an assured shorthold tenancy have moved into temporary accommodation. On average, households were placed into TA 107 days after approaching Lewisham for support.
- There are many cases where the applicant is housed more quickly than this. These represent cases where TA has been provided as ongoing attempts to prevent have not been successful. These also indicate some applicants approach us closer to their eviction date.
- A spot check was conducted for 30 households with longer waiting times (red circle), which found evidence of a applicants being placed into temporary accommodation on the date of the bailiffs warrant. Of these, 17 were placed into temporary accommodation on the date of their eviction.

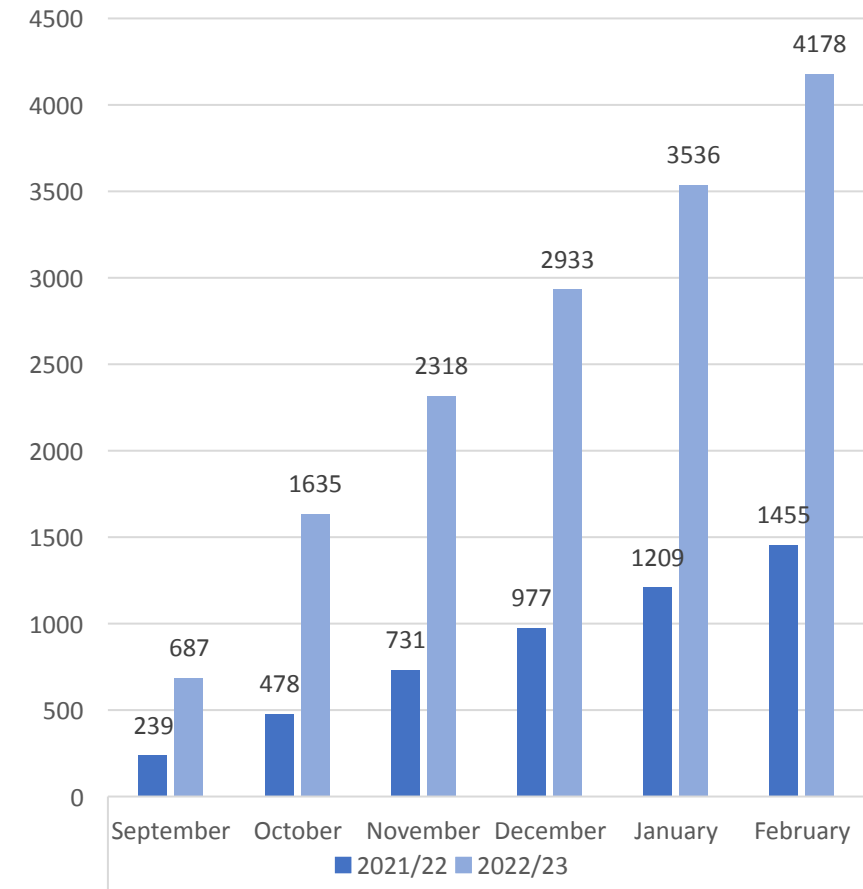
Days between approach and placement into TA for applicants evicted from a PRS tenancy (Apr 2020 – March 2023)



Context - reduced supply of accommodation

- Code of Guidance advises it is not likely to be reasonable for tenants to stay in their accommodation beyond a Section 21 expiring, if a landlord is not willing to cooperate. However, there is a crisis in procurement of temporary or PRS accommodation across London which is having an impact on our access to accommodation to move households
- Economic downturn and higher interest rates resulting in fewer property listings as landlords leave the market, causing an overall 26% reduction in procurement of accommodation across London.
- The number of properties requested back by landlords rose by 150% across London. In Lewisham, this was 181 properties at the end of March 2023. This is equal to 19% of Lewisham's total leased TA stock.
- In addition to Section 21 notices expiring on a weekly basis, demand from other homeless applicants is placing more pressure on a reduced supply of accommodation. Last year:
 - 70 households approached Lewisham as homeless per week;
 - 13 households required temporary accommodation per week, including emergency placements;
 - This is in addition to c500 households already in temporary accommodation awaiting a transfer to an alternative property
- This results in a significantly reduced ability to secure or retain accommodation for early TA placements

NTQs Received from landlords for TA
(London)

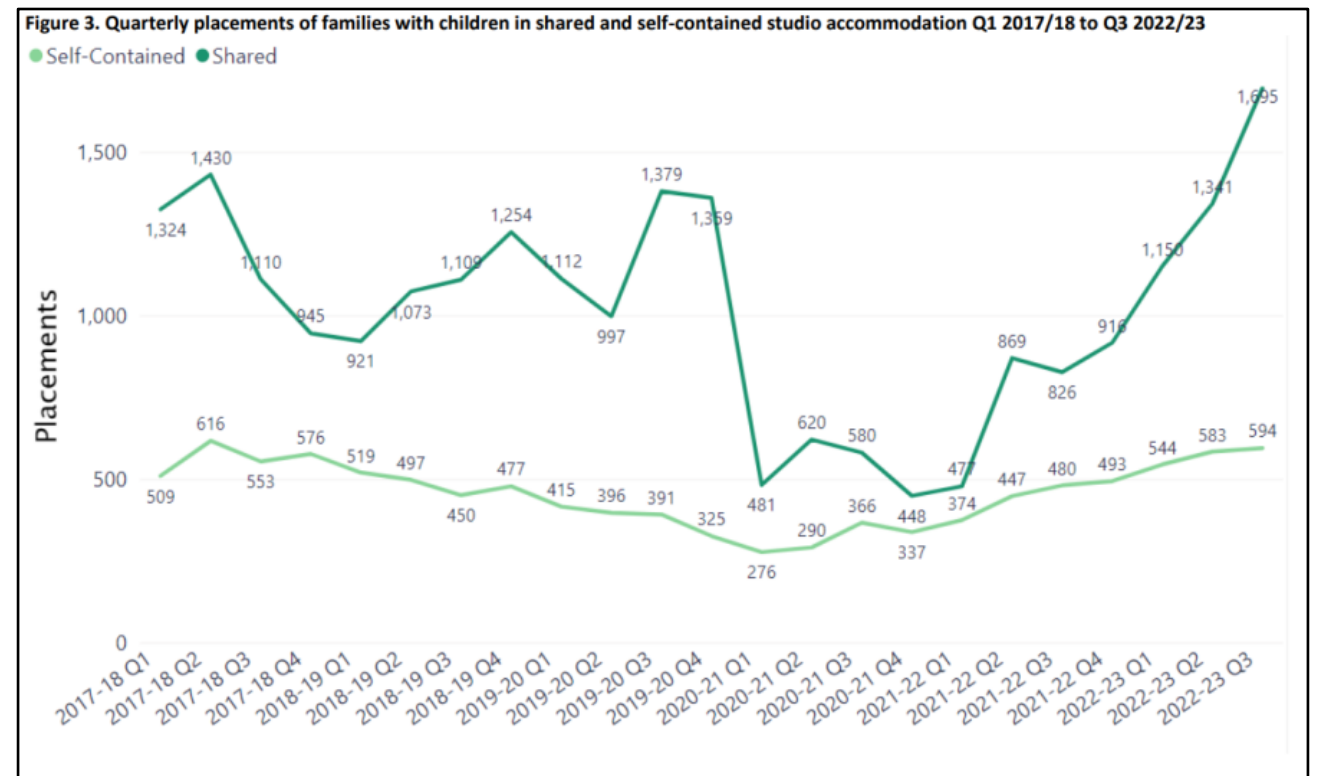


The impact

The drop in supply of accommodation is resulting in an increased lack of suitable TA options. Between April 2021 and September 2022:

- Nightly **shared** placements rose by 70% whilst self contained placements dropped
- The use of commercial hotels grew 137% in the year 2022-23
- The number of out of London placements reached its highest for at least 6 years in September 2022
- Lewisham now has the 3rd highest number of families with children in TA across England (2,075)
- In Sept 2022, Lewisham had 1 household in B&B over 6 weeks compared to Ealing (108) and Redbridge (65). However, the number of families living in B&B accommodation for longer than six weeks increased by 823% across London since April 21.

This demonstrates why in some cases remaining in existing accommodation can be preferable to a move into temporary accommodation, whilst preventative measures are attempted.



Prevention - options available

- Last year, 188 of applicants who were threatened from eviction from an AST were prevented from becoming homeless through either securing existing or alternative accommodation. Prevention activity includes:
- **Invalid Section 21** - Under the prevention duty, the Homelessness Prevention and Assessment Service will review the validity of Section 21 notices and support applicants to submit a defence form to court. If a landlord serves an invalid notice, the court must overturn an order for possession order. A Section 21 can be invalid on grounds of:
 - Prescribed documents
 - Correct date of service
 - Correct notice period
 - Value of deposit
 - Deposit protection certificate
 - Energy Performance Certificate
 - Gas safety certificate
 - How to rent booklet
 - HMO license
 - Improvement notice issued by LA
 - Tenant fees
- Time required to gather this information can result in casework continuing after the expiration of a section 21. However, tenants can apply to set aside a possession order up the date of the bailiffs warrant, which can take between a few weeks and several months.

Prevention

Other means to secure existing accommodation

- The Code of Guidance advises that if a landlord confirms a willingness to consider halting possession action if certain steps are taken, it is considered reasonable for the tenant to remain in occupation to allow time for prevention action to be taken.
- The service provides financial support if landlords are willing to extend their tenancies. Last year, we issued £181,000 supporting 88 clients to deal with their rent arrears.

Securing alternative accommodation

- Early Intervention & Resettlement team support applicants served a Section 21 to find alternative PRS accommodation before the need to enter TA arises. Support includes:
 - EntitledTo tool to help applicants find affordable accommodation
 - Accommodation Supply Team procuring properties directly from landlords, supporting 95 households in 2022/23
 - Financial support to access tenancies – last year LBL issued £740,000 in landlord incentives, bonds or deposits across 242 clients to help people remain in, or access alternative private rented sector accommodation.

Prevention examples after expiration of S21

Case Study 1 – landlord willing to negotiate

- Ms M approached LBL in March 2023 after receiving S21 eviction notice from her landlord. The notice was issued on 09/03/2023 and expired 09/05/2023.
- The reason for eviction notices was because the landlord had informed Ms M of their intention to increase the rent from £1,450 to £1,600 / £1,700 per month).
- Ms M has a 13 year old dependent son which placed her in priority need for support. Ms M is employed part time in the borough of Lewisham.
- Checks were conducted establish that the S21 eviction notice was valid.
- Contact was made with the landlord who confirmed that there were no current rent arrears, that Ms M was a good tenant and the reason that the eviction notice was served was because Ms M could not afford the proposed rent increase.
- LBL Officers negotiated an extension of the current tenancy if LBL provide support to pay the rent shortfall for 12 months in 1 lumpsum payment. The landlord communicated that they were willing to accept this offer.
- The Agreement was authorised and a lumpsum payment of £1,800 (for 12 months of rent shortfall) reached the landlord account on 22/05/2023, 2 weeks after the expiration of the Section 21. Threat of homeless was therefore prevented.

Case study 2 – landlord not willing to negotiate

- Ms W received a section 21 notice in January 2021 expiring on the 14th July 2021. The reason for eviction was because the landlord wanted to move back into the property themselves, therefore there was no prospect of negotiation with the landlord.
- Ms W has 1 dependent son and is diagnosed with PTSD, anxiety and hip problems. Ms W fled domestic abuse from Nottingham to Lewisham, which is the only London borough she has ever lived in.
- Between March – July the applicant found multiple properties for viewing however these were not affordable due to being above the LHA rate.
- Ms W received an order for possession that expired on the 19th October. In November 2021 further referrals were made to the Accommodation Supply Team to source 2 bed PRS accommodation.
- A bailiffs warrant was served on the 25th November, to expire on 9th December. At the start of December, the councils Accommodation Supply Team secured a 2 bedroom property in Lewisham through Capital Letters.
- Ms W viewed and accepted the property. LBL officers secured a 24 month assured shorthold tenancy, with the tenancy date beginning on the 9th December 2021.
- Ms W was therefore able to remain in her property until the date of eviction. Ongoing prevention efforts were successful and able to avoid a further move into temporary accommodation.

Renters Reform Bill

- **Section 21 will be abolished.** There will be no such thing as an assured shorthold tenancy. We will review developments and amendments during the bills passage through parliament, and potential impacts on the number of no-fault evictions.

Proposed new and changed grounds of possession are:

- Ground 1 (amended) – property required for landlord or family member
- Ground 1A – Landlord intends to sell
- Ground 2 – mortgagee requires possession to sell
- Ground 4 – accommodation previously let by an educational establishment to a student
- New ground 5C – Landlord is employer and employment/purpose has ceased
- New ground 5E – landlord requires possession to let property as supported accommodation
- New ground 5F – supported accommodation with time limited support services, or time limited funding for support, which has ended.
- New ground 18 (discretionary ground): “The tenancy is of supported accommodation and the tenant has unreasonably refused to co-operate with the person providing support services with regard to those services.”
- New ground 6A – compliance with enforcement action
- Ground 8A - If rent arrears of more than two months/8 weeks have been unpaid on at least three separate days in a period of three years

Potential impact of the bill

Pros	Cons
<ul style="list-style-type: none">• Reduced PRS evictions in the long term• Tenants can report problems without fear for retaliatory eviction – must have grounds• Rent can only be raised once per year• Civil penalties introduced for unlawful eviction	<ul style="list-style-type: none">• Short term increase in S21 evictions between now and passage of the bill• Alternative grounds for eviction open to abuse – ASB, rent arrears• Landlords leaving the market, impacting supply and rent levels• Landlords more selective with their tenants• Growth in illegal evictions

Summary

- On average, households evicted from PRS accommodation are provided with TA in less time (107 days) than average time for possession proceedings (150+ days).
- Attempts to prevent homelessness by securing existing or alternative accommodation after a S21 expires have been successful, without the need for TA.
- However, there is evidence that around half of those with the longest waiting times to be placed in TA (1yr+) are accommodated on the date of their eviction.

Domestic Abuse

Options available to those who need to move out of Lewisham borough due to risk:

- Homeless application to Lewisham, the likely outcome of which will be an offer of safe and suitable temporary or private rented accommodation as per the Localism Act 2011. Offers are made in line with suitability requirements, including which areas are safe. In practice this means we will not usually offer accommodation in Lewisham if the area is assessed as unsafe.
- Advice given regarding homeless application to a safe borough of the client's choice
- Homefinders Uk (a scheme which assists clients into social housing in other parts of the UK away from London and the South East)
- Reciprocal move through the [Safer London scheme](#). LAs can refer to this pan-London scheme which enables tenants at risk to move to another area of London. Waiting times for moves are long – 33 moves across London in 21/22. Therefore it is recommended this is done in tandem with a homeless application.
- Reciprocal move through a scheme set up and facilitated by the Find Your Home Support officer. The officer has arrangements with a small number of boroughs to assist with reciprocal moves, waiting times again, can be long, therefore it is recommended this is done in tandem with a homeless application.

Social housing tenants fleeing abuse

- Support is offered by Lewisham to social housing tenants who are at risk of domestic violence or other violence in their current property and a move to alternative social housing would remove the risk. Offer is under the housing register outside of a homelessness application.
- In order to be awarded a priority to move through the housing register, cases are discussed via the Emergency Housing Panel (EHP) under the Social Housing Allocations Policy 2021. This is only possible if the household is assessed as safe in another part of Lewisham.
- The Domestic Abuse Act does not guarantee social housing tenants the provision of a further social housing tenancy. If a homeless application is submitted, offers of PRS accommodation can be made under the main housing duty.
- However, the Domestic Abuse Act requires that **where an LA does choose to grant a social housing tenant** a new social tenancy due to fleeing domestic abuse, this must be a lifetime rather than a flexible tenancy.
- New Homelessness & Rough Sleeping Strategy commits to developing a Sanctuary scheme for victims in Lewisham, providing security measures to help victims remain safe in their current home.

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