

Housing Select Committee		
Title	Homelessness Reduction Act: progress update	
Wards	All	
Contributor	Executive Director for Customer Services	Item: 5
Class	Part 1 (open)	17 December 2018

## 1 Purpose

- 1.1 This report provides an update to Housing Select Committee following the introduction of the Homelessness Reduction Act (HRAct) in April of this year.
- 1.2 The report provides an overview of the HRAct and the changes that it has brought to the homelessness services provided by the council, including a summary of the impact on the numbers of households being assisted by Lewisham Council.
- 1.3 The report also provides an update to members on the progress being made linked to our work as a Trailblazer borough, having received additional funding from the Government to tackle homelessness.

## 2 Recommendations

- 2.1 It is recommended that Housing Select Committee note the contents of the report

## 3 Background and context

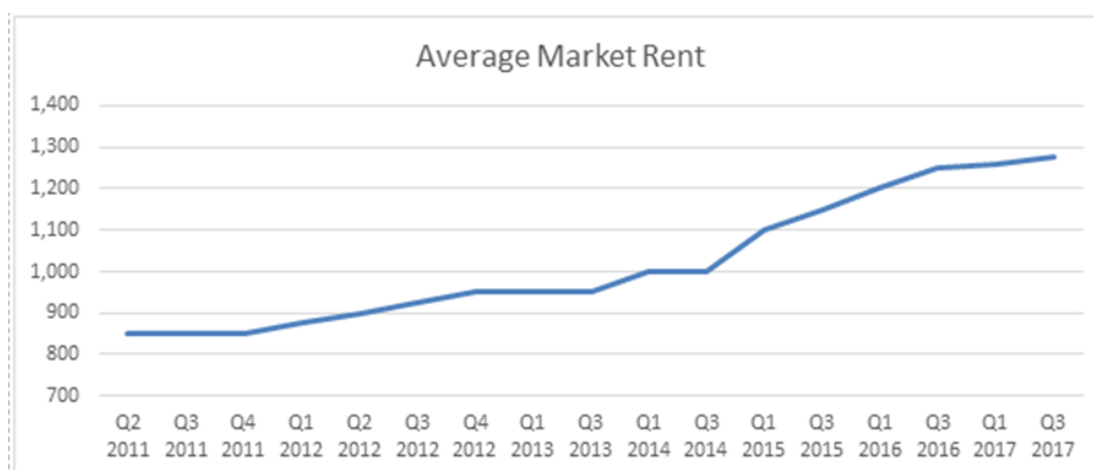
- 3.1 There were almost 80,000 households in Temporary Accommodation across England at the end of March 2018. This represents a 44% increase since March 2013 when there were slightly over 55,000 households in Temporary Accommodation.
- 3.2 Over 54,500 households were in Temporary Accommodation arranged by London Boroughs at the end of March 2018, almost 70% of the total number of placements across the country. The number of households placed by London Boroughs has increased by 36% since March 2013.
- 3.3 The number of Homeless acceptances has remained broadly stable during the past 5 years. Between 52,000 and 59,000 homeless acceptances were made every year between 2012/13 and 2017/18, in London this was between 15,000 and slightly over 19,000 acceptances.
- 3.4 In recent years, the loss of an Assured Shorthold Tenancy has become the most prevalent reason for Homelessness across England, but especially in London.
- 3.5 27% of households accepted as Homeless in England in 2017/18 had become homeless due to the termination of an Assured Shorthold Tenancy, rising to 31% of all acceptances in London. This is a slight decrease from a high point in 2015/16 when 40% of all acceptances were due to the termination of an AST, but is considerably above historic rates.

- 3.6 Following the introduction of the Housing (Wales) Act 2014 which compels Welsh authorities to assist those threatened with homelessness at an early point and to assist any homeless person to find accommodation amongst other changes, a private members bill sponsored by Bob Blackman MP was brought to parliament with a view to achieving similar changes in England.
- 3.7 The Homelessness Reduction Bill was supported by numerous organisations and by the Government, and received royal assent in April 2017 and came into force as the Homelessness Reduction Act on the 3<sup>rd</sup> April 2018. The act represents the most significant change in Homelessness legislation in a generation.

#### 4 Homelessness in Lewisham

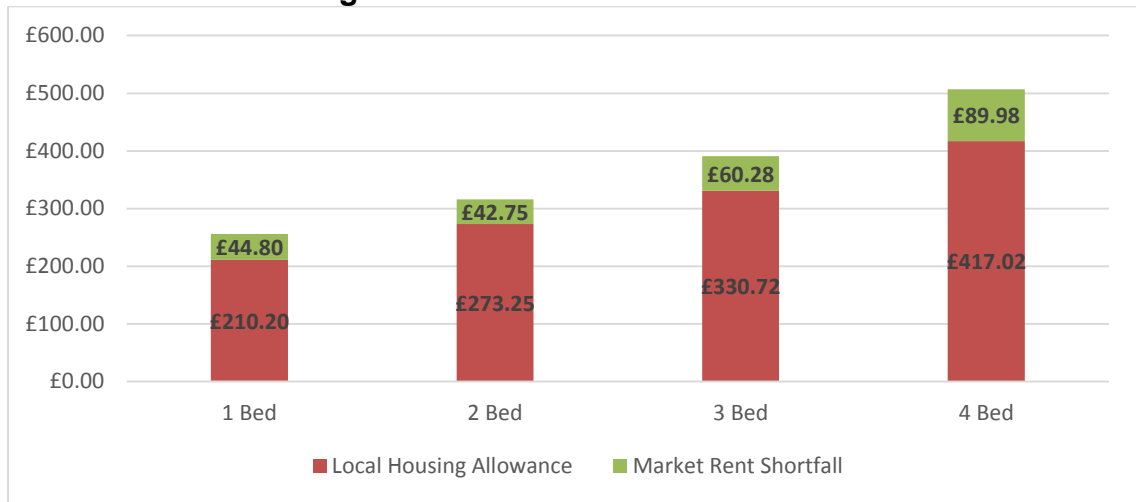
- 4.1 Across London a number of factors including Welfare Reform, a lack of new affordable properties and the increasing cost of housing have all had a substantial impact in the increase in Homelessness since 2010.
- 4.2 The cost of housing in Lewisham has become unaffordable for many. House prices in Lewisham increased 82% between June 2011 and April 2018, and market rents increased by 50% between 2011 and the end of 2017, as shown in graph 1.

**Graph 1: Average Market Rent in Lewisham**



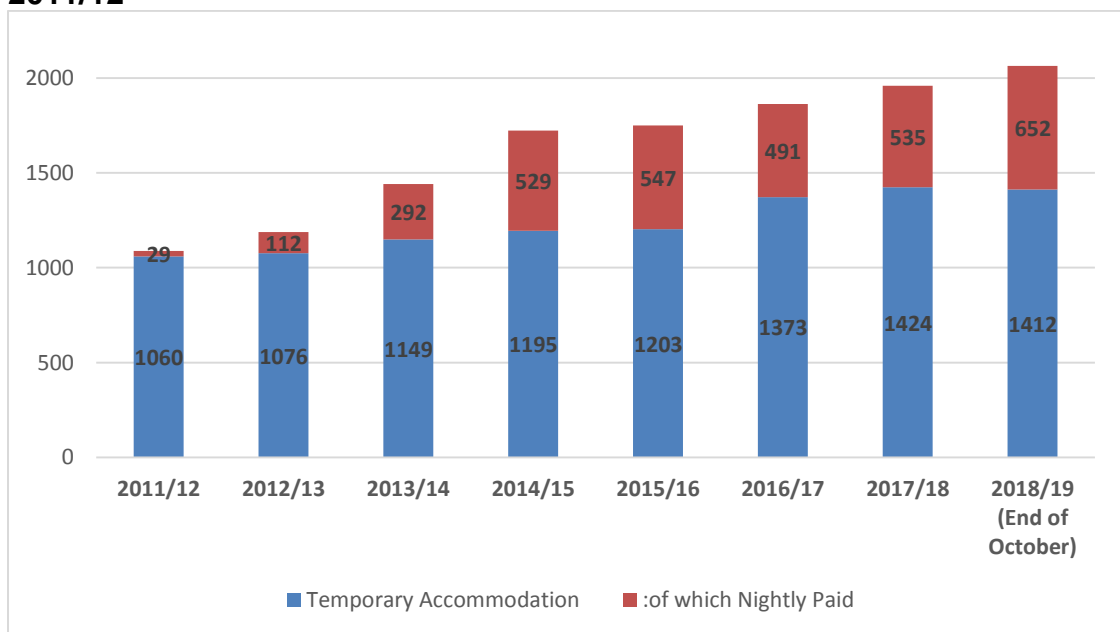
- 4.3 The government increased the Local Housing Allowance (LHA) rates in parts of Lewisham from the start of April 2018 to reflect the rapid increase in rental costs since the LHA freeze was introduced. However, there remains a significant shortfall between the LHA rate applicable in Inner South East London, which most of Lewisham is covered by, and the median market rent in the borough, as shown in chart 1.

**Chart 1: Local Housing Allowance and Shortfall to Median Market Rent**



- 4.4 Since 2013/14 the main reason for homelessness in Lewisham has been the loss of rented accommodation, largely as a consequence of the termination of an Assured Shorthold Tenancy (AST). In 2015/16 and 2016/17 this represented over 50% of all homelessness acceptances in the borough.
- 4.5 Between 2010/11 and 2017/18 there was a 45% decrease in the number of lets available to households on the Housing Register and a 110% increase in the number of households in Temporary Accommodation. 2,064 households were in temporary accommodation as at the end of October 2018, almost double the number of lets that were available during the course of the previous year. The changes since 2011/12 are shown in chart 2 below. The lack of affordable alternative forms of Temporary Accommodation mean this has largely been realised as an increase in Nightly Paid over this period. The recent increase in the use of Nightly Paid accommodation is explored further in the section on the impacts of the HRAct.

**Chart 2: Numbers in Temporary Accommodation & Nightly Paid since 2011/12**



- 4.6 As a consequence of this rapid increase in the number of households in Temporary Accommodation there has been a rapid rise in costs. Gross expenditure on Temporary Accommodation has increased by 178% since 2010/11, and was almost £25m in 2017/18. Net expenditure, which is largely the result of the increased usage of Nightly Paid accommodation at rates above the LHA cap, increased by 23% over the same period and was almost £2.3m in 2017/18.
- 4.7 A wide ranging approach has been developed to mitigate and minimise costs, including but not limited to an expansion of the Temporary Accommodation portfolio to reduce the need for Nightly Paid accommodation, a renewed focus on prevention and relief activity and Pan-London work to regulate the costs of Temporary Accommodation.
- 4.8 The Council is also joining Capital Letters, a Pan-London approach to procurement of homes which seeks to make use of various available funding strands and the increased LHA that private properties attract to source accommodation for authorities to utilise as an alternative to Temporary Accommodation. Recruitment and setup for Capital Letters will commence in early 2019 with a launch by the summer.
- 4.9 Monitoring through the London Inter-Borough Accommodation Agreement (IBAA) shows that over 1,600 Temporary Accommodation placements were made into Lewisham during 2017/18, of which almost 500 placements were made by the Council. Other boroughs that made a significant number of placements in Lewisham were Southwark, Bromley and Lambeth.

## **5 The Homelessness Reduction Act**

- 5.1 The HRAct has expanded the duties of the Local Authority in regard to the prevention and relief of homelessness. This includes providing a free, comprehensive advice and information service to all who approach including all of the following:
- Advice on preventing Homelessness.
  - Advice on the rights of those that are homeless or threatened with homelessness.
  - Advice on securing accommodation when homeless, in some instances the Council will be responsible for providing temporary accommodation in such instance.
  - Advice on the duties of local authorities, help that may be available for the household either within the authority or elsewhere, and how to access that help.
- 5.2 Central to the act are changes that require authorities to undertake more extensive activity to prevent or relieve homelessness for a longer period of time. The period within which a household may be considered at risk of homelessness has been extended to 56 days from 28 days, and includes any household that has been served a section 21 notice regardless of expiry date, and the local authority now acts under the 'prevention' and 'relief' duties.

- 5.3 The local authority has a legal duty to act under the prevention duty when an applicant is threatened with homelessness and is eligible. The authority must proactively work with eligible households for 56 days, or longer where appropriate, working to try and ensure that the applicant does not become homeless. Some example activities undertaken under the prevention duty include but are not limited to:
- Liaising with the Landlord/Family member the applicant currently resides with to support the applicant to remain in their existing home.
  - Working with the household to identify and source affordable alternative accommodation.
  - Referrals to appropriate alternative services that may assist the household to remain in their existing accommodation or to find alternative accommodation.
- 5.4 The relief duty is applicable where an eligible household is homeless. The Local Authority must take reasonable steps to help the applicant secure accommodation that is available for at least six months. There is a 56 day period in which the authority has a legal duty to proactively work to relieve homelessness. 'Help to secure' does not mean that the authority has to source and provide accommodation, but that it should try to agree reasonable steps for itself and the applicant which could result in accommodation being found.
- 5.5 Where a household is deemed to not be co-operating with the steps required of them in their personal housing plan, the prevention and relief duty can be discharged before the 56 day period has elapsed. Where a household is deemed to be unintentionally homeless and in priority need, they are required to be given a final offer of accommodation in this instance.
- 5.6 The HRA Act does not change the main housing duty, except in instances of non-co-operation as mentioned above. Authorities will still owe the main housing duty to those who are unintentionally homeless, and in priority need. This would apply after the relief duty has come to an end in appropriate cases.
- 5.7 The prevention and relief duty outlined above are applicable to all eligible households. Receipt of assistance under these duties are not dependent on determining priority need or unintentionality.
- 5.8 Authorities are required to provide detailed assessments and personalised housing plans that capture the circumstances that led to homelessness or the threat of homelessness, what the applicant needs and what would be suitable, whether the applicant needs support to obtain and sustain their accommodation and actions that the authority and the applicant will take to prevent or relieve their homelessness.
- 5.9 A duty to refer also came into force on the 1<sup>st</sup> October 2018, requiring certain named public bodies to refer households that are homeless or at risk of homelessness to the appropriate local authority for support as per the above.

- 5.10 To support the implementation of the Act, £72.7m of funding was announced by the Government covering the three year period up to and including 2019/20. The Government envisage that the savings delivered from an expanded prevention and relief offer and a reduction in presentations will be self-sustaining, and no further funding is currently on offer past 2019/20.
- 5.11 Lewisham will receive £1.24m of funding over the three year period as part of the above settlement, London boroughs in total will receive £30.2m. However, modelling undertaken by London Councils indicates that the Act will cost at least £77m in London alone in its first year.
- 5.12 To support the service in meeting the requirements of the act, 8 new staff have been recruited across the Housing Solutions service with the funding allocated by the Government. The remaining funding will be used to complement and improve our existing IT solution, and on other work to enhance and support the ability of the team to deliver against the act.

## **6 The impact of the HRAct**

- 6.1 To support the implementation of the act, Lewisham has worked closely with homeless households and external partners to develop a bespoke personal housing plan that captures the information required under the act in a way that works most effectively for the household.
- 6.2 A customer facing portal has been acquired that allows households to access their case remotely, reducing the need for households to come into the office to make minor changes or provide documentation, and changes have been made to council systems to accommodate these new requirements.
- 6.3 In line with Southwark, who trialled the legislation during 2017/18, interviews have been found to take twice as long under the new legislation. Appointments are now booked in for two hours where previously they would be booked in for one hour. The substantive reason for this increase is the extensive data gathering requirement of the H-CLIC return, which has replaced the P1E as the statutory return to government with regards to local authority activity under Homelessness legislation.
- 6.4 The 56 day prevention duty and 56 day relief duty mean that a smaller number of decisions have been made with regards to the main housing duty in the year to date than in comparative periods. This is because a decision cannot be effected until these duties have elapsed, as authorities will be working extensively with households during these periods to prevent or relieve homelessness.
- 6.5 To enable the service to understand demand following the implementation of the act, modelling has been developed that takes account for the above, and includes reasonable assumptions regarding the likely acceptance rate based on the acceptance rate in previous years for the same cohort.
- 6.6 It is envisaged that circa 930 decisions would be made accounting for this time lag, of these approximately 630 households would be accepted as homeless.

- 6.7 The modelling indicates that circa 1,060 decisions would be made during the course of the year without accounting for the aforementioned time lag. Of these approximately 730 households would be accepted as homeless.
- 6.8 This represents a decrease in the number of decisions made compared to recent years. 1,310 decisions were made in 2016/17 and 1,147 decisions were made in 2017/18.
- 6.9 Between 2013/14 and 2016/17 the Council accepted between 710 and 770 households as homeless per annum. In 2017/18 this decreased to slightly over 600. Whilst the current projection for 2018/19 is higher than the acceptance rate in 2017/18, this reflects a return to a similar pattern that was seen over the previous 4 years.
- 6.10 The increased acceptance rate observed following the implementation of the Act and an increase in the number of single applicants who are eligible for temporary accommodation has led to a sharp increase in the number of households in Nightly Paid accommodation.
- 6.11 At the end of October 2018 there were 652 households in Nightly Paid accommodation. As at the end of March 2018 there were 532 households in Nightly Paid accommodation. Following the implementation of the act there has been an increase of 76% in the number of single households in Nightly Paid accommodation, where the number of families in Nightly Paid accommodation has increased much more gradually over this period.
- 6.12 As at the end of October 2018, staff had a caseload of over 1,200 applicants. Of these slightly over 60 had not yet been accepted as being owed the prevention duty but were being worked with, almost 700 were owed the prevention duty and 500 were owed the relief duty.
- 6.13 This caseload is being managed by 19 Housing Solutions Officers working directly with households across SHiP and HOC. An additional 8 members of staff are being recruited to ensure more manageable caseloads across the service and extensive work is being undertaken via the Trailblazer programme to transform the service in line with the changes introduced by the HRAct, as detailed in section 7 of the report.
- 6.14 The Council has also formed a partnership with Crisis. Crisis is working alongside 5 local councils to help implement the HRAct, and more broadly with other councils and stakeholders to share learning and expertise. Lewisham is one of these Councils, which allows staff to learn from other authorities, share best practice and receive valuable input from staff at Crisis.

## 7 Lewisham as a Trailblazer borough

- 7.1 The Council was awarded almost £1m of Trailblazer funding from MHCLG to develop innovative ways to prevent homelessness. Every Lewisham household should have a stable and affordable home where they feel safe, so that they can be healthy, independent and in charge of their own futures.
- 7.2 The Trailblazer programme aims to increase the number of successful homelessness preventions, so households have access to stable and affordable homes. The programme contains a number of work strands to achieve this: service change including staff development, partnerships and messaging, early intervention and prevention, and data analytics.
- 7.3 The culture change and staff development has focused on changing the skills used in interviews with clients to create collaborative conversations. These conversations form the basis of clients' Personal Housing and Wellbeing Plans, which outlines the steps both the client and the Council will take to prevent or relieve homelessness.
- 7.4 To encourage clients to have the confidence to self-help, the borough trained all of the frontline housing solutions officers in motivational interviewing and coaching techniques. Officers are using these techniques during assessments to provide clients with the opportunity to reflect on their own abilities and how these can be used to resolve their housing issues. All staff within Strategic Housing have also attended training provided by Mary Gobar International, focussing on putting the customer at the centre of all activity. The housing needs team is now taking part in an innovative forum theatre training package by Cardboard Citizens designed to further develop these skills and make using them standard practice.
- 7.5 The management team are monitoring how successfully these skills are used through regular practice observations of a sample of interviews. The team are currently averaging a score of 78% in terms of how well motivational interviewing skills are used in assessments - this marks a considerable change as these skills were previously unused. This is reflective of the ongoing impact of the training and staff development that has been undertaken to transform the service to meet the demands of the act.
- 7.6 The partnerships and messaging work includes reviewing the information, advice and guidance provided via leaflets and webpages, and working with partners to provide households at risk of homelessness with a consistent message. Meetings are taking place with partners so they are aware of the way the Housing Needs service is changing the way it works. This includes conversations about early identification of people may face homelessness, advice they're provided with and the new duty to refer.
- 7.7 From 1 October 2018, the Homelessness Reduction Act places some organisations under a duty to refer to a local housing authority where they consider that one of their service users may be homeless or at risk of homelessness, and agrees to the referral. The Housing Needs service is taking this as an opportunity to develop better working relationships with partners so the people of Lewisham get the same, useful information when they face homelessness and are signposted to the right services at the right time.

The following services are listed in the regulations as public authorities with a duty to refer:



- prisons (public and contracted out)
- youth offender institutions and youth offending teams
- secure training centres (public and contracted out) and colleges
- probation services (community rehabilitation companies and national probation service)
- jobcentre plus
- accident and emergency services provided in a hospital
- urgent treatment centres, and hospitals in their capacity of providing in-patient treatment
- social service authorities.
- The Ministry of Defence in relation to members of the Royal Navy, the Royal Marines, the regular army and the Royal Air Force.

The service is also engaging with partners that are not subject to the so-called 'duty to refer', such as organisations in our voluntary and community sector and GPs, as these partners will naturally also encounter families and individuals facing homelessness.

- 7.8 A new approach to prevention of homelessness has been developed under the Trailblazer Programme by focusing on employment. Housing Needs has set up an employment project with the JobCentre to support households who are at risk of homelessness or already homeless to find employment or training opportunities. A small project team with officers across the Council and including two Employment Advisors are working with two cohorts of clients; both households affected by the benefit cap as well as those who have approached the Council's Housing Needs service for assistance. So far 117 households have worked with the service: 16 clients are now in vocational or upskilling training to lead to employment, and 17 clients have moved into work. One person supported into work had been unemployed for over 6 years and 3 people had been unemployed for more than 10 years. These households will also be supported to find stable and affordable accommodation where they feel safe, with households having a better opportunity to find a home that suits their needs due to their increased income.
- 7.9 The Council is also embarking on an ambitious analytical project using Council data to explore the reasons for homelessness in Lewisham. This work will inform a risk model to be deployed by the Council to enable the service to identify households at risk of homelessness, and deploy preventative tools, at the earliest possible opportunity.
- 7.8 In the coming months, the programme is developing the way the service gets feedback from its customers and learns from their comments learn to ultimately deliver services that work better for them. The front-door of the service (webpages, call centre and walk-in service) is also being reviewed by looking at whether these access point provide a good service to customers and whether they are a good use of staff time.

## **8 Financial implications**

- 8.1 This report provides an update to Housing Select Committee following the introduction of the Homelessness Reduction Act (HRA) in April 2018 and as such, there are no direct financial implications arising from this report.

## **9 Legal implications**

9.1 This report provides an update to Housing Select Committee following the introduction of the Homelessness Reduction Act (HRAct) in April 2018. The main duties imposed by the Homelessness Reduction Act are laid out in section 5 of this report. There are no further legal implications arising from this report.

## **10 Crime and disorder implications**

10.1 There are no crime and disorder implications arising from this report.

## **11 Equalities implications**

11.1 This report provides an update to Housing Select Committee following the introduction of the Homelessness Reduction Act (HRAct) in April 2018 and as such, there are no direct equalities implications arising from this report.

## **12 Environmental implications**

12.1 There are no environmental implications arising from this report.

## **13 Background Documents and Report Originator**

13.1 If you have any queries relating to this report please contact Rachel Dunn on 020 8314 6713.