**POLICY AND RESOURCES COMMITTEE**

**20 MARCH 2017**

**PART I - DELEGATED**

**8. TEMPORARY ACCOMMODATION PRESSURE WITHIN THE DISTRICT** (DCES)

1. **Summary**

1.1 This report provides an update on the current temporary accommodation pressures and the measures being taken by Housing Services to address them.

2. **Details**

2.1 The Council has continued to see an increase in demand on the Housing service through a higher demand for temporary accommodation. During the current financial year it has been necessary to increase the temporary accommodation budget by £310,000.

2.2 Since April 2015 there has been an increase in households presenting as homeless. The main reasons for homelessness are parental evictions and evictions from private rented accommodation usually caused by landlords selling their properties, increasing the rents or moving back into the properties themselves.

2.3 Appendix A details the reasons for homelessness (table 1) and the reasons for priority need (table 2) for households that have received acceptance decisions from the Housing service over the last three years. Whilst the tables may appear to indicate that numbers have dropped since 2014/15, the reality is that the team have taken a more robust line on assessing cases to ensure a legal duty is owed. To put this into context, the table below highlights the number of advice and assistance cases dealt with compared to acceptance decisions made over the last three years.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Apr 2014 – Mar 2015 | Apr 2015 – Mar 2016 | Apr 2016 – Jan 2017 |
| Advice and assistance cases | 32 | 386 | 615 |
| Acceptance decisions | 87 | 73 | 50 |

2.4 Whilst a more robust line has been taken on accepting homeless households, this does not negate the legal requirement to provide interim accommodation to those under investigation if certain criteria are fulfilled.

2.5 To meet the sudden increase in the need for temporary accommodation the Council had built a reliance on bed and breakfast (B&B) accommodation. Using this accommodation had a legal implication for the Council as the law states B&B accommodation is not suitable for pregnant women and families with dependent children. Councils can place families or pregnant women in B&B if there is no alternative available but only for a maximum of six weeks.

2.6 To prevent a breach of legislation and risk of legal action, considerable Officer time was spent sourcing alternative temporary accommodation. This has been achieved through private companies which provide nightly-let accommodation. Unfortunately it remains as expensive as B&B accommodation and due to the high cost locally it is usually located outside of the district.

2.7 Although all available temporary accommodation is utilised to its full capacity, further increased demand ensures a continuing and increasing need to use nightly-let accommodation.

2.8 The graph below highlights the demand on temporary accommodation. It shows the total number of households that have been provided with temporary accommodation over the last three years. It is important to note that these are total numbers not new placements.

2.9 Appendix B provides the breakdown of the above graph with figures relating to temporary accommodation that the Council can access. It confirms the different types of accommodation used, broken down into B&B, nightly-let and designated temporary accommodation that does not cost the Council anything. Whilst the table in appendix B shows the successful decline in usage of B&B accommodation it highlights the increased use of nightly-let accommodation which continues to be of considerable cost to the Council.

2.10 An important point to note is that one of the reasons for the increase of households in temporary accommodation is the growing length of time it is taking to receive an offer of accommodation. The graph below highlights the number of general needs lettings over the last three years.

2.11 The prominent spikes in the above graph highlight the phases of the major development at Leavesden and Queen’s Drive. Full details of the lettings over the last three years can be seen at appendix C. This highlights the decline in offers of family-sized accommodation which is the main client group of homeless households.

2.12 The reduction of general needs lettings is causing households to wait longer before being offered accommodation. This means that even through households that are accepted as homeless are placed into band B they will still have to wait in excess of three years for two-bedroom accommodation. The wait for three-bedroom accommodation is slightly less but still considerable at approximately 18 months.

3. **Options/Reasons for Recommendation**

3.1 Officers spend considerable time dealing with queries from households in temporary accommodation. The main queries relate to when they are going to be housed and when they will be able to move back into the district. Unfortunately, for some they will never be able to move back into the district for temporary accommodation as the supply is not sufficient.

3.2 Members will note the recent increase in temporary accommodation that is of no cost to Housing budgets. This is due to Officers working with the Major Projects team to utilise properties that are being purchased through the South Oxhey Initiative. As the Council are purchasing some properties early this has enabled some of those units to be used as temporary accommodation with Home Group managing the properties. It should be noted that there is a cost in purchasing the properties but this is within agreed budgets for the South Oxhey Initiative and results in the use of temporary accommodation that does not incur a shortfall. Whilst this is of great use to the Housing team it has also meant that the tenants of those private properties are being made homeless by the landlord that is selling their property to the Council.

3.3 However, even with the additional temporary accommodation properties being offered through the South Oxhey Initiative, it is not enough to keep up with demand.

3.4 In accordance with the Council’s Temporary Accommodation Placement Policy, Officers try to locate temporary accommodation as close to the district as possible.

3.5 With limited resource Officers have explored ‘block-booking’ accommodation. However, due to the high demand of temporary accommodation nationally private providers are not offering any better rates than spot-purchase. Therefore, Officers have taken the decision not to block-book as there is no cost benefit to the Council but a risk of ongoing liability.

3.6 Nevertheless, more recently a company has offered the possibility of block-booking accommodation at a much more favourable rate. This would be in partnership with another Council in Hertfordshire. Unfortunately this is likely to be unfavourable with applicants approaching the service as it is located in Harlow, approximately 40 miles from the Council Offices.

3.7 Further investigations may deem that the accommodation is not appropriate for use by the Council but, in any case, Members are asked to consider the distance of locations such as Harlow for the use of temporary accommodation as applicants may contact Members if they are unhappy with an offer of temporary accommodation.

3.8 It is worth noting that this particular offer of temporary accommodation, likely 17 units, would come at no cost to the Council. The reason for this is due to the rent being set at a reasonable figure of £750 per month for a studio and £833 per month for a two bedroom unit. The block being offered only has studio flats and two bedroom flats.

3.9 Depending on the individual circumstances of the household placed into the accommodation, the maximum recoverable amount from Housing Benefit is 90% of the relevant area’s 2011 Local Housing Allowance rates plus £60 per week. This means that, if a household was fully benefit-dependant, it would be possible to recover the full cost of the rent, therefore there would be no shortfall for the Council to cover.

3.10 If 17 households were moved from current nightly-let accommodation into the units on offer this could potentially save the Council in the region of £20,000 (gross) per month, equating to approximately £9,500 (net). This figure equates to an annual net saving of £114,000. However, this is based on 100% occupancy; taking into account void turnaround times, a 95% occupancy rate at the scheme on offer provides an estimated annual net saving of £108,300.

3.11 If Members are agreeable to locations such as Harlow being used, this will mean that the Temporary Accommodation Placement Policy will need to be slightly amended. Currently, 7.4 of the policy states “Wherever practicable, the Council will endeavour to place an applicant who works in paid and settled employment within a reasonable travelling distance, 90 minutes by public transport, from their place of employment. For this consideration an applicant should be working a minimum of 16 hours per week for a  single  person or  lone parent and 20 hours per week for a couple.” It would be necessary to increase this travel time by public transport to two hours, noting that, if an applicant drives, the journey takes approximately 50 minutes.

3.12 It has already been acknowledged that there is a need for a long-term solution to the demand on temporary accommodation. The aim is that the Council will build its own temporary accommodation within the district that will save money and be a better offer for our customers. The Housing team are working with the Major Projects team on the requirements and suitable locations within the district.

4. **Policy/Budget Reference and Implications**

4.1 The recommendations in this report seek a minor change in the Council’s current agreed policy and should improve the Council’s budget position.

5. **Financial, Legal, Equal Opportunities, Staffing, Environmental, Community Safety, Public Health, Customer Services Centre, Communications & Website, Risk Management and Health & Safety Implications**

5.1 None specific.

6. **Recommendation**

6.1 That Members consider locations such as Harlow being offered as temporary accommodation whilst applicants are waiting for accommodation through the Housing Register.

6.2 Subject to 6.1 being agreed, that Policy and Resources Committee is requested to amend 7.4 of the Temporary Accommodation Placement Policy to be two hours instead of 90 minutes.

 Report prepared by: Kimberley Grout, Housing Services Manager

 **Data Quality**

Data sources:

 ◼ Locata Housing reporting module

 ◼ Spreadsheets regarding temporary accommodation

 ◼ P1E return provided to DCLG

Data checked by: Alan Marsden, Housing Supply Manager and Hannah Morris, Housing Options Manager.

 Data rating:

|  |  |  |
| --- | --- | --- |
| 1 | Poor |  |
| 2 | Sufficient | **✓** |
| 3 | High |  |

 **APPENDICES / ATTACHMENTS**

 Appendix A - Accepted homeless cases (April 2014 – December 2016)

 Appendix B - Number of households in temporary accommodation (April 2014 - January 2017)

 Appendix C - Number of general needs lettings (April 2014 - January 2017)

**APPENDIX A**

Accepted homeless cases Q1 2014/15 – Q3 2016/17

Table 1

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| REASON FOR HOMELESSNESS | Q12014/15 | Q22014/15 | Q32014/15 | Q42014/15 | Q12015/16 | Q22015/16 | Q32015/16 | Q42015/16 | Q12016/17 | Q22016/17 | Q32016/17 |
| Parental eviction | 14 | 6 | 5 | 9 | 6 | 10 | 4 | 2 | - | 6 | 4 |
| Friend/other eviction | 6 | 1 | 2 | - | - | 3 | 2 | 1 | - | 3 | 1 |
| Non-violent rel’ship breakdown | 1 | - | - | - | 1 | 3 | 1 | 2 | 1 | - | - |
| Violent rel’ship breakdown | 3 | 2 | - | 2 | 1 | 1 | 2 | - | 4 | 1 | - |
| Mortgage arrears | 1 | - | - | - | - | - | - | - | - | - | - |
| Termination of AST | 16 | 4 | 7 | 4 | 6 | 5 | 9 | 6 | 3 | 11 | 3 |
| Other reasons for loss PR | - | - | 1 | 2 | 2 | 2 | 4 | - | - | - | - |
| Left institution/care | - | - | - | - | - | - | - | - | - | - | - |
| Left HM Forces | - | 1 | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | 1 | - | 2 | - | 1 |
| Total accepted | 41 | 14 | 15 | 17 | 16 | 24 | 23 | 11 | 10 | 21 | 9 |
| Total decisions | 42 | 28 | 28 | 21 | 21 | 25 | 27 | 14 | 13 | 25 | 11 |

Table 2

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| REASON FOR PRIORITY NEED | Q12014/15 | Q22014/15 | Q32014/15 | Q42014/15 | Q12015/16 | Q22015/16 | Q32015/16 | Q42015/16 | Q12016/17 | Q22016/17 | Q32016/17 |
| Dependent children | 28 | 8 | 12 | 14 | 14 | 18 | 17 | 9 | 7 | 20 | 5 |
| Pregnancy | 9 | 4 | 2 | 3 | 2 | 3 | 3 | 1 | 1 | - | 1 |
| Old age | 1 | - | - | - | - | 1 | - | - | - | - | - |
| Physical disability | 3 | - | - | - | - | 2 | 2 | 1 | - | - | 1 |
| Mental Illness | - | 2 | - | - | - | - | - | - | 2 | - | 1 |
| Formerly in care (18-20) | - | - | - | - | - | - | 1 | - | - | 1 | 1 |
| Other | - | - | 1 | - | - | - | - | - | - | - | - |
| Total accepted | 41 | 14 | 15 | 17 | 16 | 24 | 23 | 11 | 10 | 21 | 9 |
| Total decisions | 42 | 28 | 28 | 21 | 21 | 25 | 27 | 14 | 13 | 25 | 11 |

**APPENDIX B**

Number of households in temporary accommodation

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Month** | **Temporary accommodation at no cost to Housing budget\*** | **B&B** | **Nightly-let accommodation** | **TOTAL** |
| April 2014 | 19 | 6 | 0 | 25 |
| May 2014 | 18 | 11 | 0 | 29 |
| June 2014 | 20 | 9 | 0 | 29 |
| July 2014 | 19 | 13 | 0 | 32 |
| August 2014 | 20 | 15 | 0 | 35 |
| September 2014 | 20 | 8 | 0 | 28 |
| October 2014 | 19 | 12 | 0 | 31 |
| November 2014 | 20 | 14 | 0 | 34 |
| December 2014 | 20 | 12 | 0 | 32 |
| January 2015 | 19 | 8 | 0 | 27 |
| February 2015 | 20 | 9 | 0 | 29 |
| March 2015 | 19 | 13 | 0 | 32 |
| April 2015 | 19 | 11 | 0 | 30 |
| May 2015 | 22 | 17 | 0 | 39 |
| June 2015 | 25 | 15 | 0 | 40 |
| July 2015 | 22 | 28 | 0 | 50 |
| August 2015 | 25 | 22 | 0 | 47 |
| September 2015 | 23 | 18 | 0 | 41 |
| October 2015 | 23 | 28 | 2 | 53 |
| November 2015 | 21 | 14 | 15 | 50 |
| December 2015 | 20 | 16 | 13 | 59 |
| January 2016 | 21 | 15 | 15 | 51 |
| February 2016 | 25 | 13 | 21 | 59 |
| March 2016 | 22 | 10 | 26 | 58 |
| April 2016 | 21 | 3 | 34 | 58 |
| May 2016 | 20 | 3 | 32 | 55 |
| June 2016 | 23 | 2 | 34 | 59 |
| July 2016 | 26 | 2 | 37 | 65 |
| August 2016 | 26 | 2 | 42 | 70 |
| September 2016 | 25 | 1 | 46 | 72 |
| October 2016 | 24 | 1 | 52 | 77 |
| November 2016 | 25 | 1 | 56 | 82 |
| December 2016 | 28 | 2 | 56 | 86 |
| January 2017 | 29 | 3 | 55 | 87 |

\* Denotes accommodation available to TRDC, namely Lincoln Drive, Thrive contractual tenancies, Home Group contractual tenancies and hostel with Welwyn Hatfield Council

**APPENDIX C**

Number of general needs lettings

|  |  |  |  |
| --- | --- | --- | --- |
| 1 April 2014 - 31 March 2015 |  |  |  |
|  |  |  |  |  |  |  |
|  | **Property Size** |  |
|   | 0 | 1 | 2 | 3 | 4 | **Total** |
| A |   | 1 | 3 | 1 |   | **5** |
| B | 2 | 21 | 73 | 21 | 1 | **118** |
| C | 1 | 20 | 20 | 17 | 1 | **59** |
| D | 8 | 26 | 1 | 15 | 2 | **52** |
| **Total** | **11** | **68** | **97** | **54** | **4** | **234** |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| 1 April 2015 - 31 March 2016 |  |  |  |
|  |  |  |  |  |  |  |
|  | **Property Size** |  |
|   | 0 | 1 | 2 | 3 | 4 | **Total** |
| A |   | 1 | 2 |   |   | **3** |
| B |   | 23 | 33 | 19 |   | **75** |
| C | 3 | 6 | 12 | 8 |   | **29** |
| D | 12 | 30 | 17 | 6 |   | **65** |
| **Total** | **15** | **60** | **64** | **33** | **0** | **172** |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| 1 April 2016 - 31 January 2017 |  |  |  |
|  |  |  |  |  |  |  |
|  | **Property Size** |  |
|   | 0 | 1 | 2 | 3 | 4 | **Total** |
| A |   |   |   |   |   |  |
| B | 2 | 19 | 13 | 13 | 1 | **48** |
| C | 3 | 6 |   |   |   | **9** |
| D | 4 | 1 |   |   |   | **5** |
| **Total** | **9** | **26** | **13** | **13** | **1** | **62** |