

CABINET (HOUSING) COMMITTEE

6 December 2011

CABINET

7 December 2011

CURRENT HOMELESSNESS ISSUES

REPORT OF HEAD OF STRATEGIC HOUSING

Contact Officer: Andrew Palmer Tel No: 01962 848152

RECENT REFERENCES:

CAB 2123 – Preventing Homelessness Fund – 13 April 2011

CAB 2246 - Pooling of Housing Capital Receipts – 9 November 2011

CAB2266(HSG) (EXEMPT) – Care and Support Arrangements in Extra Care Housing – 6 December 2011

EXECUTIVE SUMMARY:

The report sets out the current challenges of responding to the increase in homelessness and imminent funding cuts in the Supporting People Programme.

These challenges are

- Rise in the numbers of people accessing the homelessness service
- Increase in Rough Sleeping
- Supporting People Excluded Persons Funding Review

The report recommends a series of measures to address the issues.

RECOMMENDATIONS: That Cabinet (Housing) Committee recommends to Cabinet:

- 1 That Barnes House and 27 Eastgate St are used as temporary accommodation for homeless households and that the decision be reviewed in 12 months.
- 2 That a 12 month fixed term post is created to assist in the management of the extra temporary accommodation and helping residents move on to permanent accommodation using Homelessness Prevention Funding.
- 3 That the Head of Strategic Housing in consultation with the Portfolio Holders for Strategic Housing and Landlord Services commission the Rough Sleepers Pilot with the Trinity Centre using the funding of up to £120,000 provided by the Communities and Local Government Department.
- 4 That the Council undertake a feasibility study of the provision of a “wet shelter”.
- 5 That representations be made to the County Council about the scale of cuts proposed to the Excluded Persons supporting people funding.

CABINET (HOUSING) COMMITTEE6 December 2011CABINET7 December 2011CURRENT HOMELESSNESS ISSUESREPORT OF HEAD OF STRATEGIC HOUSINGDETAIL:1 Introduction

- 1.1 There has been a significant increase in households approaching the Council for emergency housing assistance, see table below.

July - 10	44	July - 11	61
Aug -10	50	Aug - 11	68
Sep - 10	52	Sep - 11	77
Total	146		206

The increase can be attributed to three major issues,

- Lack of affordable private rented accommodation which in part is as a result of Housing Benefit (HB) changes that has seen rent subsidies based on significantly lower rates (Local Housing Allowance).
 - General economic situation, which has affected households' ability to borrow money to purchase housing, the high deposits required (up to 40%) in order to attract reasonable interest rates and uncertain employment prospects.
 - People leaving hospital care in part as a result of the Mental Capacity Act 2005 which has given patients greater freedom to make decisions when previously they may have stayed in medical care.
- 1.2 Since 2002 LA's have successfully been using "prevention" measures to offer alternative help to those approaching as homeless. Successive Governments have recognised the importance of this approach and have given LA's funding to encourage more of this activity. In Winchester the funding has primarily

been used to offer rent deposits and Bonds in the private sector. To date the Council has completed about 85 deposits (averaging around £900 - £1000). Due to HB changes mentioned in 1.1 above it has become increasingly difficult to prevent homelessness within Winchester.

- 1.3 As a result of the increasing numbers approaching the Council as homeless and the lack of prevention opportunities in the private sector the Council's temporary accommodation is fully occupied. Research carried out in September 2011 indicated that there were 15% - 20% fewer rented properties coming onto the market compared to last year with less than 10% of those being within Local Housing Allowance (LHA) rates. Of the family sized housing (2 bed and above) only 3 properties were within the LHA rate out of 69 advertised. Agents are reporting that it is not uncommon that properties are let "within hours" of being advertised. The Council currently has 4 households in Bed and Breakfast costing a combined £1000 per week.

2 Proposals to Address Increasing Homelessness

- 2.1 It is recommended that the Council increase the amount of temporary accommodation (TA) through the use of Barnes House, St Cross Rd (Housing Revenue Account Property) and 27 Eastgate Street (General Fund Property) which combined will provide an extra 14 units of accommodation. Both properties will require some refurbishment to bring them up to habitable standard, in the case of Eastgate St the costs are approximately £6,000, however the rental income for 12 months will be in the region of £14,500. Any rental income above the refurbishment costs of £6,000 will flow to the General Fund as increased property income. Barnes House will need more substantial repairs totalling approximately £15,000 to £20,000, it is proposed that the cost be shared equally between the Homelessness Prevention Fund (HPF) budget and the Housing Revenue Account (HRA). The rental income of Barnes House is approximately £20,000pa which would meet the initial repair requirements but would leave no scope for on-going maintenance and management costs. The provision of up to £10,000 for the initial repairs from the HPF should help to ensure that there is no net cost to the HRA for the provision and management of this additional temporary accommodation... The increase in accommodation is intended as a temporary measure and the need for their continuing use will be reviewed in 12 months.
- 2.2 Increasing TA has a direct impact on staffing within Landlord Services, the current team was reduced after the closure of 82 – 84 Sussex Street, this was reopened in January 2011 to accommodate the increasing numbers but no additional staff were employed. It is recommended that a fixed term full time post is appointed to help manage the increased numbers of TA, additionally the post holder will work with existing residents within TA to assist in bidding for permanent accommodation through Hampshire Home Choice. The aim of this measure is to help households move more quickly through TA freeing up units for new applicants.

- 2.3 The post will be funded through the Homeless Prevention Fund (HPF) for 12 months, the Government has already confirmed the continuation of this fund at its current levels for 2012/13. A budget for the HPF will be prepared in February 2012 detailing proposed expenditure for the 2012/13 financial year.

3 Rough Sleepers

- 3.1 The Council carried out its last Rough Sleeper count in November 2010, at this time 5 rough sleepers were found. The count was carried out in accordance with Communities and Local Government (CLG) guidance and was overseen by independent observers from Homeless Link. The Council will be conducting another survey in November 2011.
- 3.2 Since this time various agencies working with homeless households have indicated that this figure has increased significantly, current estimates from the Trinity Centre have indicated that there could be as many as 30 vulnerable individuals who may at some time rough sleep in Winchester. Many of these individuals have complex needs and have at one stage had permanent accommodation but through a combination of factors have not been able to maintain it.
- 3.3 As outlined in report CAB 2123, Preventing Homelessness Fund 13 April 2011, the CLG provided £120,000 to the Council specifically for a single person homeless pilot project. The money came as part of a package with the hosting of the CLG specialist adviser and is to be used for a specific project that has to be agreed and fit with the priorities of the CLG. Discussions between the Head of Strategic Housing, the CLG Specialist Advisor and Trinity Winchester have identified an innovative approach to address the issue of rough sleepers, Trinity's proposal is to run a two year pilot project working with entrenched rough sleepers to see if a personalised budget approach can have positive outcomes for individuals. The personalised budget approach entails identifying what individuals might require in order to facilitate a move away from rough sleeping, this could take the form detox / rehab programmes, rent guarantees or help securing employment. The CLG have confirmed that they support the proposal and have agreed that their funding can be released for this project.
- 3.4 A project of this size could be advertised for tender. However in light of the unique nature of the project, the work in investigating a suitable project and the innovative approach suggested by Trinity it would not be appropriate in the circumstances. It is recommended that Cabinet endorses the pilot project and the Head of Strategic Housing uses delegated authority under Housing Act general grant aid powers to assist the Council in its discharge of homeless persons duties.

Wet Shelter

- 3.5 One of the on-going issues with regard to rough sleepers in Winchester is the number that have either been excluded or denied access to the Night Shelter

because of drink related problems. The Winchester District Strategic Partnership in conjunction with the Night Shelter formed a multi-agency working party called the Alcohol Intervention Group which investigated a series of measures including the development of a “wet shelter”, a secure location where people could have access to alcohol and stay overnight. The lack of capital or revenue support from other agencies such as County Council’s Drug and Alcohol Team and the NHS meant the project stalled in September 2010.

- 3.6 If it felt the problem was significant the Council could pursue a solution on its own. The Council has had issues with rough sleepers using its car parks and the resultant public health problems that creates. For a modest capital investment a basic wet shelter could be established, revenue support in the form of Supporting People funding could be diverted from existing schemes to provide basic support. Alternatively the Council could reopen negotiations with Adult Services and the Health Authority to see if funding was now available for this group, and that the provision of a wet shelter was a priority in addressing the associated health and community safety problems.
- 3.7 In conclusion it is recommended that the Council investigates the feasibility of commissioning a wet shelter again in partnership with the relevant statutory agencies and the voluntary sector. The feasibility review will be carried out within existing resources.

4 Supporting People Excluded Persons Review

- 4.1 Supporting People is a Government funded scheme that funds housing related support services to vulnerable people to enable them to live independently in the community. Locally the funding is provided to Hampshire County Council who commission a range of services to support households, these are broken down into three main clusters, Disabilities, Older Persons and Excluded Persons. Report CAB2266 (HSG) on the agenda outlines the issues in respect of funding cuts for Older Persons extra care services
- 4.2 Funding for Excluded Persons services in Winchester (previously known as Homelessness Cluster) amounts to approximately £1.8M pa, the funding is used to support services to homeless households, the Council (Landlord Services) receives £12,000 from this budget for funding floating support and services to hostel residents. The budget is administered by Hampshire County Council who award contracts to the various providers of services, the Council have contracts for Older Persons services (CAB2266 (HSG) and Excluded Persons. In the Memorandum of Understanding between the District Councils and the County it sets out the how decisions are made, in essence all of the investment decisions are made on a local basis through the District Core Group. The Group is made up of the Head of Strategic Housing (Chair), local Supporting People Co-ordinator, Adult Services, Probation and Health Authority.

- 4.3 Hampshire County Council has asked all Districts to identify savings of 16% from the Excluded Persons Cluster, for Winchester it means finding savings of approximately £280,000. With the current homelessness issues of increasing numbers but also of people with more complex needs needing support to secure and maintain tenancies the review will be particularly challenging.
- 4.4 Having regard to the sensitivities of the review it would be appropriate that Members have the opportunity to comment and make representations about the proposed cuts to Hampshire County Council.

OTHER CONSIDERATIONS:

5 SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLANS (RELEVANCE TO):

- 5.1 Active Communities: to support local people to access high quality and affordable housing which meets their needs. The Active Communities Action Plan includes proposals to address the increase in homelessness.

6 RESOURCE IMPLICATIONS:

- 6.1 The proposal to use Barnes House and 27 Eastgate St will bring rental revenue to the Council, however there are repair costs in bringing them into use for homeless households. As long as the repair costs are not disproportionate to the rental income then it would be beneficial to use them as temporary accommodation. There would be a direct cost to the Council of having to use Bed & Breakfast accommodation of approximately £250 per week per household (cost will vary dependant on household size), in 2002/3 before the current prevention approach was undertaken the Council had an annual B&B expenditure of £52,000 per year.
- 6.2 Budget implications

Homelessness Prevention – Budget implications

	2011/12	2012/13	2013/14
<u>Existing Budgets</u>			
Hampshire-wide homeless single persons pilot project	120,000		
Homelessness Prevention	17,500		
<u>Proposed Expenditure</u>			
TA Support Officer (Full cost forecast inc. sal + on-costs, mileage etc)	7,500	22,500	
Repairs to 27 Eastgate Street	6,000		
Repairs to Barnes House - contribution to HRA	10,000		
Trinity Pilot Project		60,000	60,000
	23,500	82,500	60,000

<u>Proposed Funding</u>			
Homelessness Prevention Earmarked Reserve	(10,000)	(60,000)	(60,000)
Local Services Support Grant *	(7,500)	(22,500)	
Rental Income (remaining £8.5k to Estates)	(6,000)		
	(23,500)	(82,500)	(60,000)
<u>Homelessness Prevention Earmarked Reserve</u>			
Opening Balances	210,000	200,000	140,000
CAB2123 Expenditure Plan (Less Trinity Pilot Project)	(10,000)		
Trinity Pilot Project		(60,000)	(60,000)
Closing Balances	200,000	140,000	80,000

* £190,000 in total has been confirmed for 2012/13, towards the National Homeless Advisor and other spending plans. A report in February 2012 will bring forward further spending proposals.

7 RISK MANAGEMENT ISSUES

7.1 The risk of not responding to the increase in homelessness is that the Council will have to use expensive (and inappropriate) forms of temporary accommodation. Currently there is no budget provision for Bed & Breakfast costs.

BACKGROUND DOCUMENTS:

Winchester City Council Homeless Strategy.

Trinity Winchester, a Proposal for a Personalised Budget Pilot for Rough Sleepers

APPENDICES:

None