

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET

Date 18th October 2017

HEADING Homelessness Reduction Act 2017

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Portfolio: Communities and Social Cohesion; Planning and Housing

Ward(s) affected: All

Purpose of the Report

This report details the changes to homelessness legislation and an overview of the implications and risks of these to the Council.

Recommendations

- (a) Members are requested to note the Homelessness Reduction Act and endorse the actions taken by officers to date and those proposed within the HRA implementation plan.
- (b) Members are requested to approve the allocation of the two sources of grant funding from the Government provided to tackle homelessness for the next 2 years to enable the new legislation to be successfully implemented.
- (c) To authorise the Executive Director for Regeneration and Development in consultation with the relevant Portfolio Holders to consider and review any changes to the Implementation Plan and changes in processes at Newcastle Housing Advice as required to comply with the new Code of Guidance.

Reasons

To provide an understanding within the Council of the likely impact of the Homelessness Reduction Act 2017 and secure the funding needed to prepare and implement the Act

1. Background

- 1.1 The Homelessness Reduction Act 2017 (abbreviated in this report to the HRA) became law in April 2017. The date of enactment is 1st April 2018.
- 1.2 Part VII of the Housing Act 1996, as amended by the Homelessness Act 2002, sets out the duties of English local housing authorities (LHAs) to someone who is homeless or threatened with homelessness. Current legislation means that people who are not considered to be in priority need or who are found to have made themselves intentionally homeless are owed little in the way of legal duties from local authorities; although powers to relieve homelessness do exist.

- 1.3 The HRA sets out a framework for the most significant changes to homelessness legislation in recent years, proposing several new duties, many of which will require a change in working practices, and very likely additional resources. The aim of the HRA is to propose improvements to the legal framework in order to prevent homelessness more effectively in England, without undermining the rights people currently have under the existing system.
2. **Main new statutory duties**
- 2.1 The HRA places a new duty on local authorities to help prevent the homelessness **of all** client groups, regardless of priority need, who are eligible for assistance and threatened with homelessness. A new duty is also placed on public services to notify a local authority if they come into contact with someone they think may be homeless or at risk of becoming homeless. The changes are summarised in the ensuing paragraphs of this section:
- 2.2 **Definition of homelessness and threatened with homelessness:** this clause extends the period within which the LHA should treat someone as threatened with homelessness from 28 to 56 days, and sets out the action LHAs should take when someone applies for housing assistance, having been served with a notice to end an assured shorthold tenancy.
- 2.3 **A stronger duty on the Local Housing Authority to provide advice and information:** this clause strengthens and extends the general advice duty, requiring the LHA to design a service that meets the needs of certain groups at risk of homelessness; care leavers, people leaving prison, people who have left the armed forces, victims of domestic abuse, people leaving hospital and people suffering from a mental illness or impairment. It is worth noting that the Council's re-commissioning of a debt advice service is likely to be beneficial to some client groups.
- 2.4 **Mandatory code of practice:** currently LHAs are required to have regard to the Homelessness Code of Guidance for Local Authorities when carrying out their Part VII functions. The new clause allows the Secretary of State to provide LHAs with "one or more codes" of practice that LHAs **must** have regard to, on how they exercise and monitor their functions under Part VII and staff training
- 2.5 **A new duty to prevent homelessness for all eligible applicants threatened with homelessness irrespective of priority need status:** this clause includes new duties to those who are homeless or threatened with homelessness, to:
- carry out an assessment;
 - agree a personal housing plan;
 - help prevent homelessness; and
 - help to secure accommodation for all eligible applicants, regardless of priority need.
- Once triggered the prevention duty would continue for 56 days unless it is brought to an end via one of the prescribed conditions. Applicants will have a right to request a review of the decision to end this duty.
- 2.6 **The Relief Duty owed to those who are homeless:** under this clause the LHA must take reasonable steps to help all homeless eligible applicants to relieve homelessness for 56 days by helping applicants to secure accommodation regardless of priority need.
- 2.7 **Deliberate and unreasonable refusal to cooperate:** this clause places a requirement on all applicants to co-operate with the LHA attempts to comply with their prevention and/or relief duties. If the LHA considers that an applicant has "deliberately and unreasonably refused" to cooperate or take any of the steps set out in the personalised plan, they can serve a notice on the applicant to notify them of their decision.

- 2.8 **Local connection of a care leaver:** all care leavers under the age of 21 will be considered as having a local connection with an area if they were looked after, accommodated or fostered there for a continuous period of two years irrespective of who the placing authority is.
- 2.9 **Review of decisions:** this clause proposes additional rights of review in relation to new duties in the HRA.
- 2.10 **Co-operation between authorities and others:** this new duty applies to all public authorities specified in the regulations to refer cases to the LHA if they consider that a person in England, to whom they exercise functions, may be homeless or is at risk of homelessness.
- 2.11 **Other changes:** the twelve month tenancy condition for a private rented sector offer in order to discharge the full homeless duty is amended to a six month tenancy.

3. **Implications of the HRA**

- 3.1 The Council has a good track in homelessness prevention and tools and resources to support this. Nevertheless there will inevitably be an impact on service delivery arising from the proposed new legislation which will need to be carefully managed. Officers are currently working through the detail of the full implications of the HRA but it may take some time to enable sound forecasting with regard to service delivery responses.
- 3.2 Early predictions are that once in force the changes will increase the Newcastle Housing Advice (NHA) workloads and the use of temporary accommodation. This is due to the additional steps that will have to be taken in every case. It is anticipated that casework will at least double as a result of more detailed discussions, agreements, case monitoring and reviews that will need to be undertaken with each client.
- 3.3 There is likely to be an increase in the usage and cost of temporary accommodation as lengths of stay are likely to be longer, for example, the length of time which intentionally homeless households in priority need will have to be accommodated will double. We do have existing challenges to purchase temporary accommodation placements due to competing demands from neighbouring authorities and agencies. The provision in Newcastle is limited and there are it should be noted that accommodation providers are not obliged to help our customers. For this reason, placements within Stoke are the only realistic option at this time.
- 3.4. The government has announced that Local Housing Authorities (LHA) will receive funding to help meet the costs of implementing the legislation. Furthermore it has been indicated that this will be reviewed two years after implementation including resourcing and assessing how it is working in practice. Nevertheless there is real concern amongst housing professionals as to whether this funding will adequately cover the additional costs that LHAs will incur.
- 3.5 We continue to explore opportunities to work with our partners to secure alternative temporary accommodation options to reduce both the time households stay in nightly paid temporary accommodation and the cost. We have been successful with two properties managed by Midland Heart within Stoke and we have a third property identified that the Council owns within the borough, which will increase our accommodation provision as well as providing a more settled form of accommodation for customers pending a more permanent solution to meet their housing need.

4. Proposal and Reasons for Preferred Solution

- 4.1 Officers recommend that priority is given to the implementation plan, supported as an appendix to this report, in making the necessary steps to ensure that the Council and NHA are able to deliver a service which meets the requirements of the Homelessness Reduction Act. The plan will also support those measures obtained from the Gold Standard Diagnostic Peer Review findings. Please see The Gold Standard for Homelessness Services Diagnostic Peer Review report in this pack for further information.
- 4.2 It is anticipated that there will be additional resource implications for implementation of the HRA; and that this will be achieved by the pooling of the existing funding to prevent homelessness together with the New Burdens funding and the Flexible Homelessness prevention funding (please see Financial and Resources Section below).

5. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities

- 5.1 The provision of a homelessness and housing advice service enables the Council to prevent homelessness which assists in meeting the Corporate Priorities to provide a Clean, Safe and Sustainable Borough, a Borough of Opportunity, a Healthy Active Community and Becoming a Co-operative Council by delivering high quality community driven services.

6. Legal and Statutory Implications

- 6.1 Local Authority obligations to homeless people are set out in statute and are the subject of a Code of Guidance.
- 6.2 The Council has a statutory duty to assist all persons who are homeless or threatened with homelessness under the Housing Act 1996 (as amended 2002) part 7 Homelessness. The HRA 2017 when enacted will place a new duty on Local Authorities to help to prevent homelessness in all client groups, rather than those with specific eligibility status

7. Equality Impact Assessment

- 7.1 There are no direct equalities issues arising from this report but it is anticipated that the diversity of client service needs will be best achieved by the Council engaging in the actions outlined within the appendix and reviewing an EIA prior to implementation of the Act.

8. Financial and Resource Implications

- 8.1 There are 3 sources of funding for preventing and tackling homelessness. These are:
- a) The Council's Homeless Prevention Grant received as a named amount in the Council's Revenue Support Grant. This is currently £124,883, £125,871 (2018/19), £125,897 (2019/20). This grant is currently not ring fenced.
 - b) A new annual Government grant provided to replace the Temporary Accommodation Management Fund (TAMF) and starting from April 2017. This has been confirmed as £40,000 2017/18 and £40,000 (2018/19). The newly named Flexible Homelessness Support Grant (FHSG) is an increase in funding compared to the previous TAMF system. The Department of Communities and Local Government published the funding allocations for the grant over two years so councils will know with more certainty how much they will receive under the new system. They have made a commitment to announce allocations for 2019/20 during 2017/18. The grant is ring fenced for an initial period of two years and during that time may be used only to prevent or deal with homelessness

- c) New Burdens Funding from DCLG for a 2-year period after enactment to recognise the new duties the HRA places on local authorities. This is estimated to be £40K to £70K a year over 2 years but the exact figure will not be confirmed until autumn 2017. The first payments will be made in winter 2017/18. There will also be additional funding allocated to local authorities to enable the implementation of a revised data system, known as the PIE, to capture the operation and outcomes of the new duties brought in by the HRA. The change will generate much richer data both on homelessness problems and the impact of interventions, enabling better informed policy and resource decisions by both local and central government.
- 8.2 It is proposed to utilise the 2 new sources of funding (items b and c) to implement the Homelessness Reduction Act and meet the new statutory duties arising out of the Act.
- 8.3 At this stage it is not known what the resource implications will be and depending upon future funding availability, there may be the requirement for additional resources to implement service improvements for the ongoing development of the HRA. Where this is the case additional investment will be subject to further Cabinet consideration.
9. **Major Risks**
- 9.1 There are no known major risks associated with this report beyond the issues identified.
10. **Key Decision Information**
- 10.1 This is not a key decision.
11. **Earlier Cabinet/Committee Resolutions**
- 11.1 This report was considered by Economic Development and Enterprise (EDE) Scrutiny Committee on the 18th September 2017. Members requested that an Equality Impact Assessment is required to determine what the direct equality impacts will be. EDE also noted that it is too early to take forward the issues until the amended Homelessness Code of Guidance is issued by the Department of Communities and Local Government.
12. **Background Papers**
- 12.1 Further information about the Housing Reduction Act 2017 is available from the Housing Strategy team.
13. **Appendices**
- 13.1 Appendix 1 – A summary of the proposed actions to be taken forward by officers to implement the HRA.