

Cambridge City Council

Item

To: Executive Councillor for Housing (and Deputy

Leader): Councillor Catherine Smart

Report by: Director of Community Services

Relevant scrutiny Community 25/6/2013

committee: Services

Scrutiny

Committee

Wards affected: All Wards

SUB-REGIONAL SINGLE HOMELESSNESS SERVICE

Key Decision

1. Executive summary

This report aims to introduce Members to a new sub-regional initiative, led by Cambridge City Council, aimed at preventing rough sleeping. This project, known as the single homelessness service, will be supported by the Council's plans to pilot a local lettings agency (LLA) service for single homeless people.

There are some important linkages from this report to the report, also presented to this committee, entitled 'Discharge of Statutory Homelessness Duties'. These are principally about the LLA, which will support both initiatives and the detail on housing pressure provided in the other report.

2. Recommendations

The Executive Councillor is recommended:

- Approve the proposals for the establishment of a sub-regional single homelessness service and the City Council's lead role in its development
- 2) Approve the new sub-regional reconnections policy (as set out in appendix 1), which underpins the approach to single homelessness in the sub-region
- 3) Approve the broadening of the use of the Access Scheme holding account for the local lettings agency scheme as set out under financial implications at 4(a) of this report

3. Background

3.1 The single homelessness service

- 3.1.1 In May 2012 the Department for Communities and Local Government (DCLG) announced a national £20 million national funding package to prevent single homelessness and rough sleeping and contribute to the objectives contained within the Government's report entitled *Vision to End Rough Sleeping: No Second Night Out* (July 2011) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6261/1939099.pdf
- 3.1.2 The DCLG distributed these funds to clusters of local authorities with a designated lead partner and Cambridge City Council was given lead authority status for the local sub-regional cluster with £323,000 allocated to the project
- 3.1.3 The local authority partners within the sub-regional cluster are:

Cambridge City Council
Peterborough City Council
South Cambridgeshire District Council
Huntingdonshire District Council
Fenland District Council
St Edmundsbury District Council
Forest Heath District Council
East Cambridgeshire District Council

- 3.1.4 The single homelessness service aims to offer accommodation to a single homeless person. Essentially this could be into any type of accommodation as long as it alleviates homelessness and ensures that the individual does not have to sleep rough. The expectation is that a single homeless person approaching any of the 8 districts within the cluster will get an offer of accommodation anywhere within one of the 8 districts within 24 hours to align with the national No Second Night Out strategy to tackle rough sleeping
- 3.1.5 The single homelessness service is not designed for those who require supported housing provision or who are likely to be considered a 'priority need' for accommodation under the 1996 Housing Act (as amended by the 2002 Homelessness Act) it is designed to augment the provisions already in place for these groups and targets those who local authorities, in high demand housing areas, have traditionally been unable to help

- 3.1.6 Local homelessness service providers have reported that more service users with lower support needs are entering the hostel system having been found sleeping rough. A snapshot needs assessment conducted by the County Council in July 2012 and involving a sample of 317 service users revealed that 43% had no support needs. This suggests that service users who do not need to be in the hostel system, but are only there because alternative options are scarce, are taking up supported housing placements
- 3.1.7 The refurbishment of the accommodation and remodelling of the service at the Riverside English Churches Housing Group hostel at Victoria Road forms part of a strategic approach to engage some service users with low or no support needs in learning and training activities in order to offer a focused route out of homelessness.
- 3.1.8 The sub-regional homelessness group, which comprises all eight authorities listed above, is working to increase the available supply of accommodation and it is anticipated that this will be primarily achieved through the establishment of a local lettings agency (see section 3.2). However, the Council is also discussing other possibilities with registered providers and local authorities including self contained flats or houses, which may be hard-to-let or operate outside of the choice based lettings (CBL) system, shared houses, co-ops, training flats and lodgings schemes
- 3.1.9 The success of the project will depend on the extent to which local authorities can support each other to provide accommodation across district boundaries and, therefore, the Council has needed to reconsider the definition of single homeless service users that can receive access to services in Cambridge and all authorities have been asked to approve a sub-regional reconnections policy, which is contained at appendix 1 of this report.
- 3.1.10 A more detailed overview of the scheme can be found at appendix 2 of this report

3.2 Local lettings agency (LLA)

- 3.2.1 The Council is proposing to pilot a local lettings agency on behalf of the sub-region as part of the development of the single homelessness service model outlined above
- 3.2.2 The single homelessness service model and, indeed, the Council's general ability to prevent more homelessness are dependent on the need to secure more accommodation in the private rented sector. The sub-regional homelessness group decided to commission a private

rented sector (PRS) study across the sub-region. This study looked at the viability of forming a local lettings agency and to inform the authorities' PRS procurement strategies more generally

3.2.3 The study, published in February of this year, highlighted the difficulties for this authority in procuring accommodation within the district of Cambridge City. The report, conducted by Inside Housing Solutions, says of the situation in Cambridge:

Market rents are far out of line with local housing allowance rates. Average across all postcodes analysed given below:

- o Shared: Local housing allowance rate short by approx £120.00 per month
- o 1-beds: Local housing allowance rate short by approx £250.00 per month
- o 2-beds: Local housing allowance rate short by approx £350.00 per month
- o 3-beds: Local housing allowance rate short by approx £420.00 per month
- o 4-beds: Local housing allowance rate short by approx £600.00-£700.00 per month'

This evidence is confirmed by the Council's own experience. Of the 31 properties used through the Council's PRS 'Access (rent deposit/rent guarantee) scheme in 2012-13 only 3 families were housed within Cambridge City.

- 3.2.4 The study made a number of recommendations for the authorities in the cluster to consider. These were that:
 - A sub-regional LLA could be a viable proposition
 - The focus for the LLA would be on procuring shared accommodation for single sharers
 - The LLA develops a guaranteed rent product for landlords –
 without this the report suggests that there would be insufficient interest from landlords to make the scheme viable
 - The LLA could be managed by a social enterprise on behalf of the local authorities in the sub-region or by one of the local authorities in the group
 - The LLA could become self-funding within 2-3 years
- 3.2.5 Following further discussion at the sub-regional group it was agreed that Cambridge City would pilot the scheme for a year at which point it will be reviewed

- 3.2.6 The group has agreed that Peterborough City Council, Forest Heath and St Edmundsbury District Councils will not initially be part of the pilot scheme because they all have successful private rented schemes in place and are able to work to No Second Night Out principles as a result
- 3.2.7 Cambridge City will, therefore, be running the LLA and aiming to procure and manage properties in the remaining 5 district authority areas
- 3.2.8 The Council currently employs two landlord liaison officers who will also be supported in this work by a single homelessness service coordinator
- 3.2.9 All properties secured, and landlords engaged, through the LLA will adhere to the same set of standards as described in the discharge of homelessness duties paper presented to this committee.

4. Implications

(a) Financial Implications

It is not anticipated that any additional resources will be required to deliver the initiatives detailed in this report. It is proposed to utilise existing funding, ear-marked for deficit funding of the current Access Scheme to fund any up front costs associated with the creation of the new local lettings agency, as the two schemes are similar and meet the same objective. Performance of the Access Scheme in previous years indicates that there are sufficient funds available to underwrite the Council's risks in respect of both schemes.

Funding can be transferred from the Department of Communities and Local Government (DCLG) homelessness grant to support any shortfall in covering the Council's potential liabilities to landlords.

Funding will be reviewed on a 6 monthly basis in year 1 and then annually thereafter to ensure that the Council is able to cover 100% of its liabilities under the schemes.

There may be additional costs associated with property inspections but these have been budgeted for in the homelessness grant for 2013-14 and are anticipated to be in the region of £6000 per annum.

(b) **Staffing Implications** (if not covered in Consultations Section) A single homelessness service coordinator will be recruited to support the development of the single homelessness service

(c) Equal Opportunities Implications

None

(d) Environmental Implications

+L – all rented properties used by the council to support the schemes detailed in this report will need a valid Energy Performance Certificate (EPC)

(e) Procurement

None

(f) Consultation and communication

The council has consulted with external partners via the Homelessness Strategy Implementation Group (HSIG) on the development of the single homelessness service and local lettings agency via HSIG meetings

(g) Community Safety

None

5. Background papers

These background papers were used in the preparation of this report:

None

6. Appendices

Appendix 1 – Sub-regional reconnections policy

Appendix 2 – Single homelessness service overview

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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