



To: Executive Councillor for Housing (and Deputy Leader): Councillor Catherine Smart
Report by: Director of Community Services
Relevant scrutiny committee: Community Services Scrutiny Committee 25/6/2013
Wards affected: All Wards

DISCHARGE OF STATUTORY HOMELESSNESS DUTIES

Key Decision

1. Executive summary

This report aims to offer a summary of homelessness and housing needs pressure in Cambridge. The Council is taking the opportunity to review its approach to private rented sector procurement and is seeking Member approval for a key change in its policy approach to discharging statutory homelessness duties. The Localism Act (2011) allows local authorities to fully discharge the full housing duty by a 'private rented sector offer' (s193(7AA)-(7AC) Housing Act 1996 as amended by s.148(5)-(7) Localism Act 2011. This aspect of the Act was cemented by a Statutory Instrument, the Homelessness (Suitability of Accommodation) (England) Order 2012, which came into force on the 19th November 2012.

It is important to say that, there are some linkages between this report and the report entitled 'Single Homelessness Service', also being presented to this committee. The Council's proposed approach to private rented sector procurement underpins our approach in both of these areas. However, the discharge of homelessness duties is legally separate from initiatives to assist single homeless people, to whom the Council does not owe a statutory duty, via use of the private rented sector. The Single Homelessness Service report discusses the development of a Local Lettings Agency, which may be used to assist the council discharge homelessness duties into the private rented sector and thus the two reports are linked in respect of the financial implications detailed at 4a of this report.

2. Recommendations

The Executive Councillor is recommended to:

- 1) Note the contents of the report in relation to the current housing pressures faced by those in Cambridge who are in housing need
- 2) Adopt the policy on discharge of homelessness duties as set out in appendix one of this report

3. Background

3.1 Homelessness and housing pressure

Pressure on homelessness services and emergency and temporary accommodation is predominantly being driven by a recent decline in the number of available social lettings. The figures for the total number of social lettings made to those on the Cambridge City housing register are as follows:

2009-10	890
2010-11	798
2011-12	558
2012-13	595

3.1.1 Contrary to homelessness trends across the rest of the United Kingdom, statutory homelessness applications and acceptances in Cambridge are not increasing, although rough sleeping is.

3.1.2 The average number of applications for the 5 years preceding 31st March 2011 was 163. The average number of acceptances for that 5 year period stood at 134. From 1st April 2012 to 31st March 2013 Cambridge City Council took 169 homeless applications and accepted a full homelessness duty to 124 of these

3.1.3 This year there has been a 23% increase in rough sleeping instances on last year's figures and a 25% increase in numbers of individuals sleeping rough

3.1.4 Although this does not mirror national increases which have been lower at 6% last year on top of a 23% increase in the year before, they are more in line with increases seen across London, which stand at 25%

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/73200/Rough_Sleeping_Statistics_England_-_Autumn_2012.pdf

3.1.5 Significant pressure is placed on the housing register as a result of the Council's obligations to discharge its homelessness duties with an offer of accommodation in the social housing sector. Less than 10% of households on the Council's housing register are being made an offer

of accommodation in any 6 month period (taken from Home-Link statistical extract 1.4.12 to 30.9.12)

3.1.6 In the 12 months from June 2012 to May 2013 37.5% of all lettings to family sized accommodation (with 2,3 or 4 bedrooms) went to statutory homeless households and 83% of all lettings to 2, 3 and 4 bedroom accommodation went to those in band A (taken from Home-Link statistical extract 1.4.12 to 30.9.12)

3.1.7 In response to a government target to reduce the use of temporary accommodation the Council successfully reduced its average use of temporary accommodation units from a baseline of 140 in 2005 to 74 by February 2010. This was achieved at a time when lettings figures were relatively high – see figures at 3.1

3.1.8 The combined effect of a decline in the number of available lettings coupled with a reduction in the temporary housing stock is that spend on emergency accommodation, and bed and breakfast provision in particular, has increased significantly from a steady average of around £75,000 in 2009-10 and 2010-11 to £108,802 in 2011-12 to £233,442 in 2012-13

3.2 Discharge of homelessness duties

3.2.1 The Localism Act (2011) allows local authorities to fully discharge the full housing duty by a 'private rented sector offer' (s193(7AA)-(7AC) Housing Act 1996 as amended by s.148(5)-(7) Localism Act 2011. This aspect of the Act was cemented by a Statutory Instrument, the Homelessness (Suitability of Accommodation) (England) Order 2012, which came into force on the 19th November 2012

3.2.2 Prior to this legislative change local authorities could offer Assured Shorthold Tenancies with private landlords. However the applicant could decline such offers as a full and final discharge of duty and insist that such accommodation should only be provided as temporary accommodation

3.2.3 In order to qualify as a discharge of full homelessness duties the private rented sector offer must be an offer of an Assured Shorthold Tenancy with a minimum fixed term of one year. Applicants will lose the discretion to decline the offer as a final discharge, although they will retain the right to request a review of suitability whether or not they accept the offer

3.2.4 A draft policy approach on discharging homelessness duties, to incorporate the new power to end the duty with a private rented sector offer is contained at appendix 3 of this report

3.2.5 The key policy aims are:

- Full homelessness duties can be discharged efficiently are not unduly delayed by lack of availability of accommodation
- Emergency accommodation costs, particularly derived from bed and breakfast placements are kept to a minimum
- Lengths of stay in temporary accommodation are kept to a minimum and that the Council will ensure that stays in bed and breakfast accommodation for family households will not exceed 6 weeks to comply with The Homelessness (Suitability of Accommodation) (England) Order 2003
- Applicants receive fair and consistent consideration under the policy and each case will be considered on an individual basis and that a blanket policy approach is avoided
- The discharge of homelessness duties into the private rented sector for some households ensures that the housing register is more balanced and that family sized accommodation available though the choice based lettings system is not predominantly allocated to homeless households
- Reduce the reliance on the Council to provide temporary accommodation from its own stock

3.2.6 The policy aims stated in 3.2.5 need to be considered against the contextual background provided within the homelessness and housing pressure section contained at 3.1 of this report

3.2.7 Given the challenges posed for the Council in procuring PRS properties in the city, as highlighted in 3.2.3 of the report on the sub-regional single homelessness service, the decision on whether to discharge duties into the PRS will be based on a careful and robust assessment of each applicant's needs and will hinge on the following considerations:

- Location – refer to section 4.5 and 4.6 of the draft policy at appendix 1
- Equalities considerations 4.7 to 4.14 of the draft policy at appendix 1

- Affordability
- Standard of accommodation – all properties will be inspected by a qualified practitioner
- The landlord is a fit and proper person

3.2.8 All applicants will be able to bid for accommodation through the choice based lettings system for a period of 3 months from the point of acceptance of full homelessness duties before being offered accommodation either in the social rented or private rented sector

3.2.9 The proposed policy and procedure will not come into effect before 1st September 2013 and will allow the Council to develop, and consult on, a detailed guidance note, which will assist officers in determining the suitability of accommodation offers in the PRS. This was a key recommendation from the Equalities Impact Assessment.

4. Implications

(a) Financial Implications

It is not anticipated that any additional resources will be required to deliver the proposed policy. 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)
None

(c) Equal Opportunities Implications

An Equalities Impact Assessment (EIA) has been completed in relation to the policy and procedure on discharging homelessness duties. Shelter

completed the EIA in partnership with the council. The policy has been amended accordingly and the council will be progressing the recommendations contained within the assessment.

(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 discharge of homelessness duties policy and internally with Revenues and Benefits, the housing strategy manager, Environmental Health and City Homes. HSIG partners involved in the consultation were:

Cyrenians, Emmaus, Cambridge Link-Up, Jimmy's Cambridge, Cambridgeshire County Council, Wintercomfort, Circle Support (Cambridgeshire), Riverside ECHG, Flack, Citizens Advice Bureau, CRI CSMHOT.

The policy makes provision for individual households to be consulted on offers of accommodation on a case-by-case basis as part of the suitability assessment.

(g) Community Safety

None

5. Background papers

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

Equality Impact Assessment for the policy on discharge of homelessness duties

6. Appendices

Appendix 1 - Discharge of homelessness duties – draft policy and procedure

7. Inspection of papers

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

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