

# LGA improvement project – capturing and presenting learning from councils shaping the supply of temporary accommodation

East of England Event 31<sup>st</sup> March 2017

# Project Background

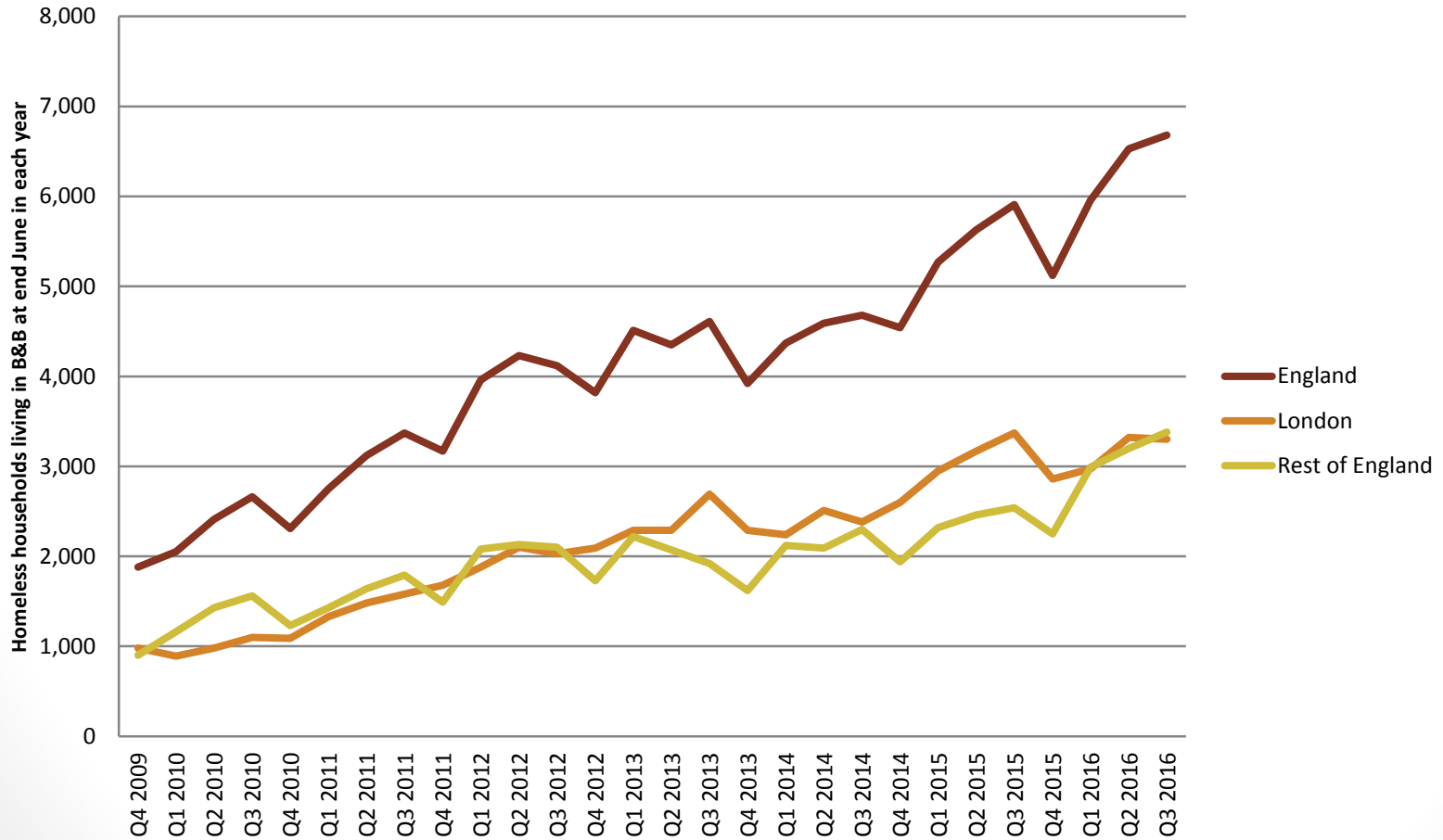
- Many local authorities are experiencing rising homelessness demand and difficulties in finding suitable accommodation in which to accommodate homeless households
- This can lead to the use of accommodation which is both expensive and less than ideal for those households, especially families with children
- The landscape is changing fast, including:
  - Reduction in the Overall Benefit Cap
  - Temporary Accommodation Management Fee devolution to local authorities
  - Rollout of Universal Credit
  - Homelessness Reduction Bill

# Council Experience

- Council experience in managing homelessness demand and TA provision is very varied:
  - Some Councils have been under severe pressure for years and have been developing solutions to tackle these.
  - Some Councils have experienced a sudden increase in pressure and can learn from those have had success.
  - The primary aim of this work is to share that good practice so that others can learn
- We have been working with a number of councils over the past two months, with a report to be completed by end March 2017 and an event shortly afterwards
- We have also spoken directly to Central Government, GLA, London Councils, NHF, Shelter, NHAS, NPSS and others.

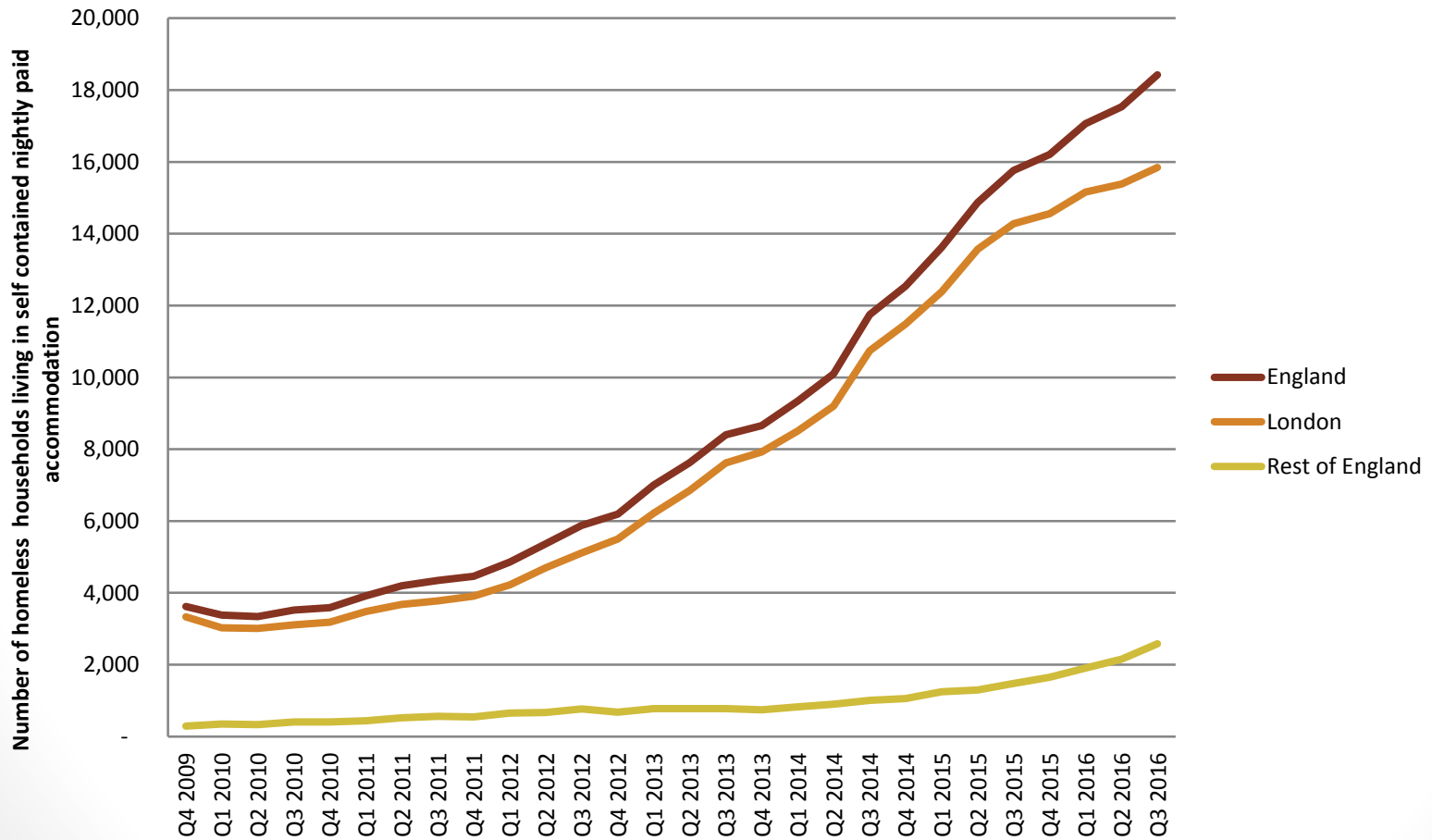
# Trends in TA

## Bed & Breakfast use in England since 2009



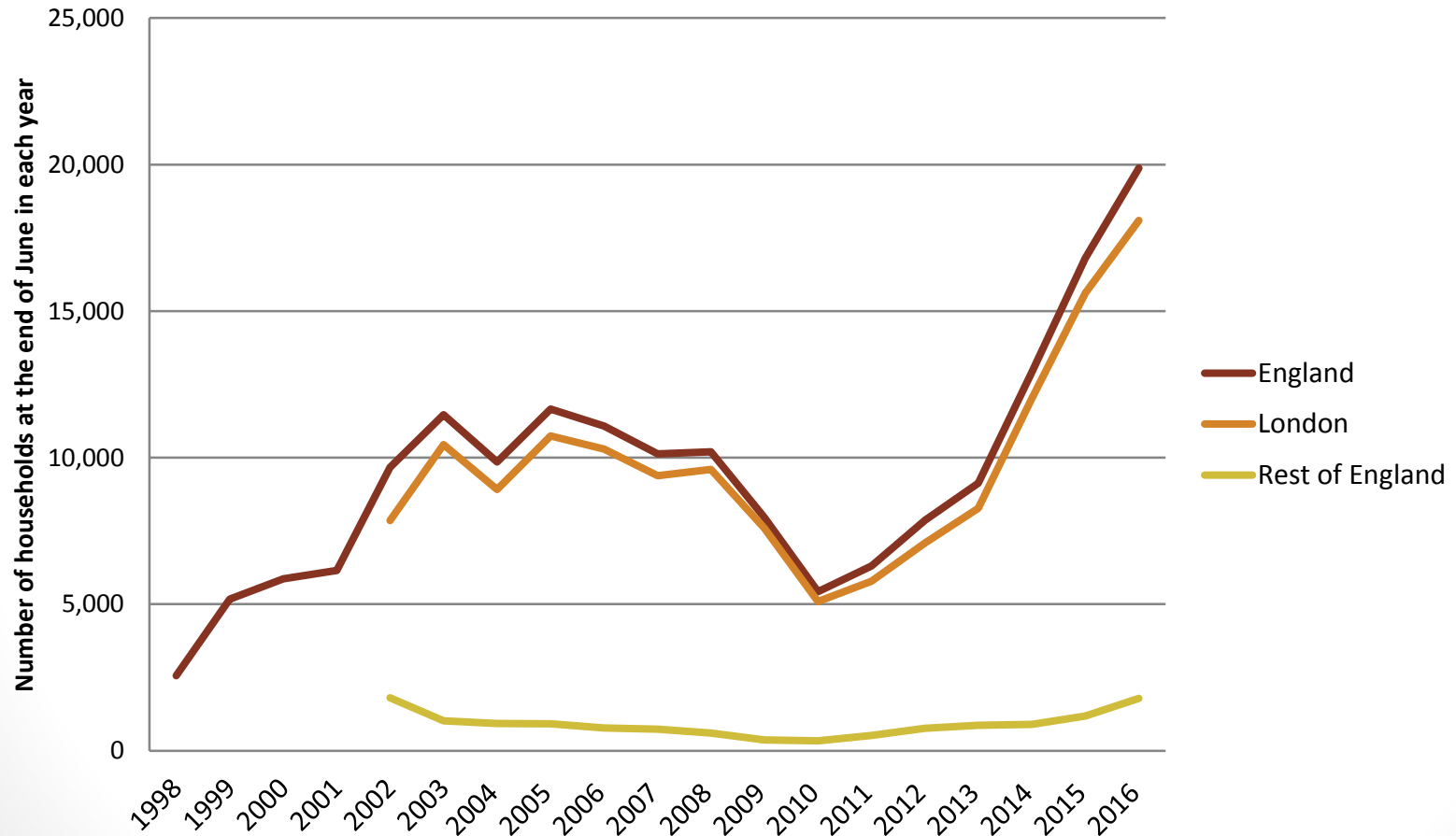
# Trends in TA

## Use of Self Contained Nightly Paid accommodation since 2009



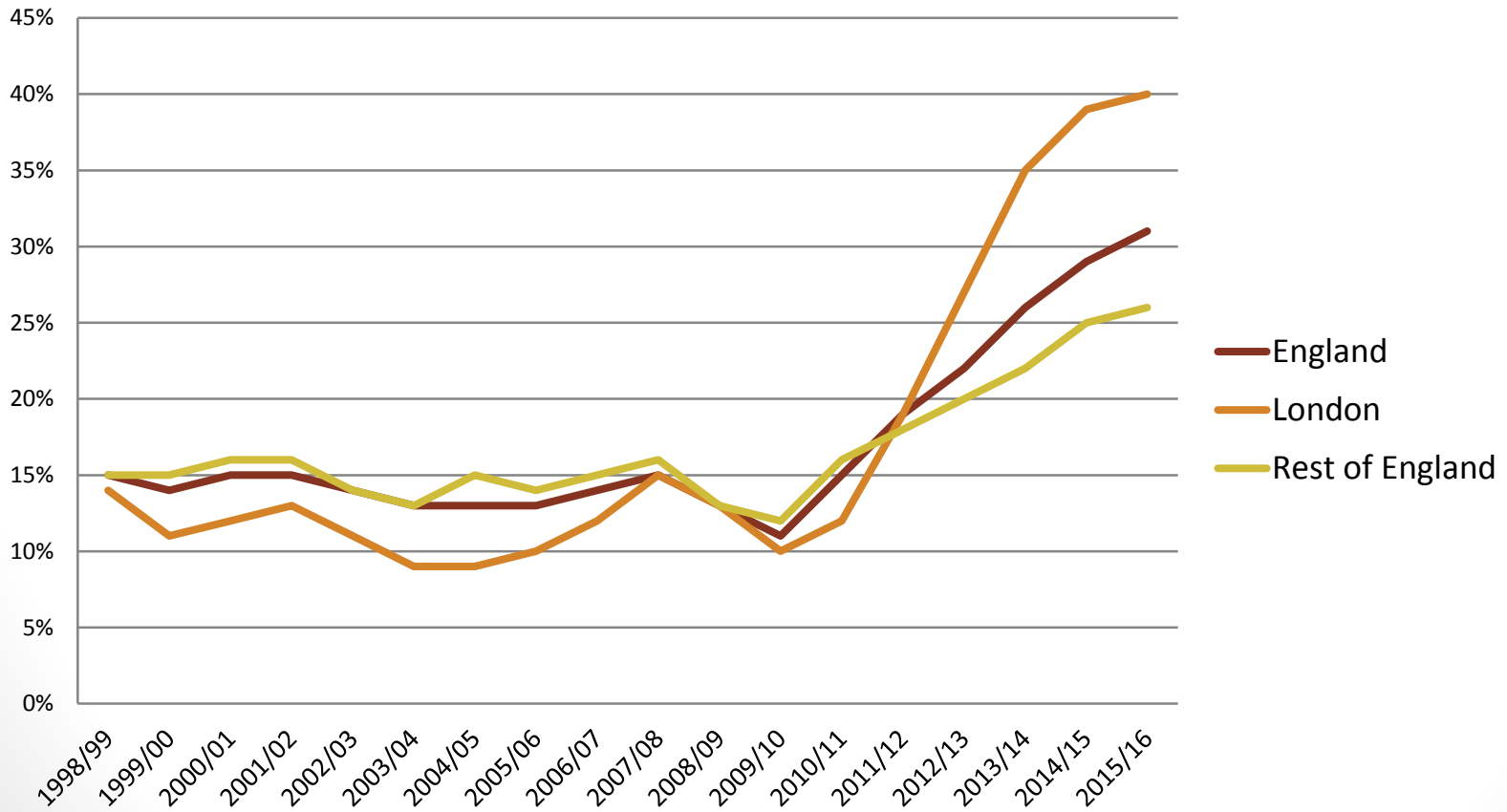
# Trends in TA

Number of households in TA outside the placing local authority



# Trends in TA

**Percentage of Homelessness Acceptances caused by the loss of an Assured Shorthold Tenancy 1998/99 to 2015/16**



# Trends in TA

- However, against this backdrop of increasing difficulty, expense and worsening trends, some councils have achieved significant results.
- Between March 2010 and September 2016 there was a net increase across England of 3,910 households in B&B. However, although 133 councils saw an increase in B&B over that period, **95** councils actually **reduced their use of B&B** during that time.
- Over the same period, there was a net increase of 23,272 households in temporary accommodation of all types. However, whilst 217 councils saw an increase in TA, **98** saw a **decrease**.



# What are we covering?

Areas include:

- Procurement and Management of both TA and PRS accommodation
- New development/conversion of TA and PRS accommodation
- Purchase / acquisition of TA and PRS accommodation – variety of models
- Tenant health, well being, employment etc.
- Out of area moves
- Cost control
- Innovative design and service offers
- Collaboration and joint working between councils
- Role of RPs
- Implications of TAMF devolution and UC
- Example documentation – leases/ contracts/ procurement /policies
- Recommendations for Government and other national organisations

# Some findings

Not easy for anyone, but Local authorities who seem to be having the most success are adopting practices like:

- Planning their accommodation supply to meet demand without using B&B.
- Microfocus on cases in expensive and unsuitable accommodation and how to move them.
- Broadening supply base and building better relationships with private landlords and agents.
- Providing a good and responsive service to both tenants and landlords.
- Making effective use of allocations policies
- Working together with other local authorities to keep prices down.
- Developing better alternatives to B&B, e.g. conversions, new development.
- Where moves out of area occur – managing them properly and helping tenants to resettle.
- Preventing admissions into emergency accommodation by working with people earlier to help them prevent homelessness and address wider issues.
- For the longer term, acquisitions and new development outside the HRA is likely to be increasingly important in controlling supply and costs. This is now beginning to happen at some scale, with council owned companies, investment funds and JVs being set up.

# Examples

## **Brent**

Laurence will talk about Brent, but savings on reduced B&B and new approaches to homelessness prevention, property acquisition, new purpose built TA, and PRSOs are impressive.

# Examples

## Camden

- Allocations policy prioritises those with homelessness prevented in the PRS to those accepted under Part VII. Local agencies no longer advocate for part VII
- Thorough work with PRS landlords and tenants – pre-tenancy training, resettlement and tenancy sustainment , responsive landlord service, different levels of management available

## Tower Hamlets

- Have reduced B&B dramatically from one of the highest in London by radically broadening TA supply base and improving service to landlords

## South Norfolk

- Radical focus on homelessness prevention. Every person that approaches the council for help is given the best possible advice to prevent homelessness.
- Procurement of specialist accommodation for households with support needs to avoid B&B
- Holistic support packages for people in TA or at risk of homelessness to help with the range of issues confronting any particular household

# Examples

## Brent

- Have reduced B&B very significantly and reduced TA against London trend.
- Temporary Accommodation Reform plan sets out 3 year strategy including:
- Earlier intervention to prevent homeless (Find Your Home scheme)
- 300 property acquisition programme over 2 years using LA company
- New build LHA rent PRS
- New bespoke hostel with 90+ small but properly self contained properties for Stage 1 TA

## Lewisham

- Have built pioneering modular “Ladywell” development to accommodate homeless households. Homes are high quality and can be moved to another site when necessary.

## Bromley

- Reduced B&B to zero through increased focus
- Entered into JV with Mears to access 400 new properties

# Examples

## Croydon

- More holistic joined up service with other parts of the council has drastically improved financial situation of many people in housing need and saved the council £2.5m whilst increasing income for households by £11m
- Have invested in Real Lettings fund and received access to St Mungos managed properties for PRSO whilst also making a financial return

## Trafford

- The Housing Options Service at both Trafford Council and Salford Council are contracted out to Salix Homes. HOST (Housing Options Service Trafford) are an arm of Salix Homes procure/source temporary accommodation for families for both councils.
- Trafford has identified that there are currently 1600 homes that are empty in the area. Seeking to obtain access to these properties for those threatened with homelessness or who are already homeless and in TA.

## Brighton

- Trailblazer funded early intervention to seek out households at risk of losing their home and intervene proactively before they get into serious difficulty
- Setting up property company and entering JV with Hyde to increase supply. Market rented properties can cross subsidise LHA rent properties for homeless households
- Modular build pilot for small garage sites

# Examples

## Teignbridge

- Have converted former GP surgery to good quality TA
- Holistic service offer with different services co-located
- Working with a social lettings agency to get PRS supply
- Housing needs jointly managed with Exeter allowing e.g. flexibility around use of TA

## Joint working:

### WREN

- Joint IT based Dynamic Procurement System now expanding to cover all TA for Waltham Forest, Redbridge, Enfield and Newham
- Early days but has potential to streamline admin, support standards, and increase supply

### IBAA agreement

- London boroughs have established and stuck to agreement on maximum TA prices for nightly paid accommodation, and successfully held that price down against a previously rapidly rising trend

# Future Issues

- **Reduction in Overall Benefit Cap** and wider squeeze on welfare likely to increase pressures, especially the affordability of PRS
- **Roll out of Universal Credit** creates real difficulties in short term TA unless addressed, as payment is delayed and often not received
- **Alternative solutions** now being considered to put emergency TA back into HB but may not be as generous for short term TA as UC (which potentially incentivises overcrowding as things stand)
- **TAMF devolution to Flexible Homelessness Support Grant** should represent an opportunity for many councils, as increases funding overall. 100% of current LHA is higher than 90% of Jan 2011 LHA in most areas, which should incentivise prevention or PRSOs over TA going forward