

**REPORT TO:** Cabinet

**MEETING DATE:** 14 November 2017

**BY:** Depute Chief Executive (Partnerships and Community Services)

**SUBJECT:** Homelessness Update and Action Plan

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## **1 PURPOSE**

- 1.1 To update Cabinet on the performance of the Council in delivering its objectives in relation to the prevention of homelessness and its statutory obligations in relation to homeless applicants.
- 1.2 To approve the action required to ensure that the Council continues to meet its legal obligations towards homeless clients and within that to mitigate against the possible impact of the recent amendment to the Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2014 on the Council's housing allocations.

## **2 RECOMMENDATIONS**

- 2.1 Cabinet is asked to note the contents of this report and approve the Homelessness Action Plan and its associated actions. Further related reports will be presented early in 2018.

## **3 BACKGROUND**

- 3.1 The Council has faced a significant challenge in meeting its homeless responsibilities for a number of years and has taken various actions to ensure that it meets its legal responsibilities and improves the services it provides to homeless applicants.
- 3.2 In doing so the Council has a well-developed and successful Homeless Prevention Service, a Homeless Response Service and a Temporary Accommodation Service which has developed a range of accommodation options including supported accommodation for younger applicants and also those with complex needs.
- 3.3 The success of these services is noted below :

- The homeless prevention approach continues to provide services including multi-tenure tenancy support to around 425 applicants a year with a 90% success rate in preventing homelessness
- As a result of this intervention there has been a reduction in homeless presentations of around 35% since the changes to the homeless legislation in 2012.
- The Council has increased the provision of temporary accommodation by around 45% since 2012 ensuring that where homelessness has been unavoidable we have been able to provide temporary accommodation, in accordance with our statutory duties (as outlined in Appendix 1).

3.4 Despite these achievements the Council continues to face significant challenges:

- The decline in homeless presentations from 2010 has levelled off and would appear to be moving into a position where applications are increasing (Appendix 2).
- Despite the increase in temporary accommodation, the level of demand for temporary accommodation is such that the council remains dependent on B and B for temporary accommodation, with increasing use of such accommodation and people staying there longer (Appendix 3).
- The proportion of housing allocations made to homeless applicants has increased as a result of changes to allocations targets agreed by Cabinet in 2016. However despite this, waiting times for re-housing are increasing significantly and as a result the length of time spent within temporary accommodation is increasing for all client groups
- The Scottish Government's Unsuitable Accommodation Order is being amended to reduce the time that households subject to the order (those with children or a pregnant person) can remain in B and B accommodation from 14 to 7 days.
- The turnover within the temporary accommodation pool has slowed down, as people await an offer of permanent housing. The changes to the Unsuitable Accommodation Order will place greater pressure on the Council in relation to ensuring where B and B accommodation is used as "immediate" accommodation for a homeless family, to ensure that they are moved on quickly from that accommodation. This places more pressure on the Council increasing the risks of breaching the Order and of failing to meet its statutory temporary accommodation duties.
- The impact of the roll out of full service Universal Credit (UC) has significantly reduced other housing opportunities for Homeless clients. As more claimants migrate into the UC system it can only be assumed that the range of options for a number of our clients will be further reduced.

- UC roll out has also had a significant financial impact on the collection of income from homeless clients, especially in relation to B and B and other forms of “short-term” accommodation, which along with the increasing use of B and B is impacting adversely on the Council’s general service budget which funds homelessness services.

## **Legal Obligations**

- 3.5 The Council has a wide range of duties within the Homeless Legislation, but in simple terms the council has a legal requirement to assess the circumstances of anyone who approaches advising of homelessness of being threatened with homelessness, or where the council believes someone to be homeless or threatened with homelessness.
- 3.6 The statutory duties linked to this are noted in Appendix 1. The key point to note is that all applicants who are believed to be or are homeless or threatened with homelessness have a right to be provided with temporary accommodation, until their homelessness is established and if so established, until the Council meets its statutory re-housing responsibilities towards them.
- 3.7 The rights of are further reinforced in wider housing legislation in relation to housing allocations policies whereby the Council must give “reasonable preference” to homeless persons and other specific groups. (Appendix 1)
- 3.8 Of the applicants we house who are homeless, unintentionally homeless and have a local connection with East Lothian 85% approach from an East Lothian address as their last settled accommodation. Of the remaining applicants, all have strong social or family connections with East Lothian.
- 3.9 To discharge our legal responsibility the Council must provide applicants with ‘settled’ i.e. permanent accommodation. That can be a Scottish Secure Tenancy (SST) with either a local authority or a housing association/Registered Social Landlord (RSL) or an Assured Tenancy in the Private Rented Sector although very few Private Sector Landlords will provide an assured tenancy.
- 3.10 Over the past 5 years the council has allocated between 40 and 45% of its vacant housing supply arising to homeless families, with RSL’s (housing associations) in East Lothian allocating around 50% of their general needs properties.

## **Current Demand and performance**

- 3.11 As referred to in 3.4, after a period of generally declining homeless assessment, we are facing at best a standstill position in terms of demand for this service and possibly an increase in demand especially given other factors such as UC in itself and the resultant impact of UC on reducing alternative housing opportunities

- 3.12 A review of benchmarking authorities shows a mixed picture in relation to the current position but a consistency in a general trend whereby the introduction of prevention and housing options activities led to a decline in homeless assessments but that since then demand has varied.
- 3.13 In terms of the use of temporary accommodation in East Lothian, from 2010 to 2017 the supply of furnished accommodation was increased from 216 in 2010 to 365 on 1<sup>st</sup> April 2017. As a result of the success of the Council's homelessness prevention approach, the vast majority of applicants have a re-housing requirement, and therefore will leave temporary accommodation on being re-housed.
- 3.14 Appendix 3 shows the activity in relation to temporary accommodation provision and re-housing activity.. What has been consistent since 2010/11 is that the principle means of clients leaving temporary accommodation is the allocation to them of a Council or RSL tenancy. The first table in the appendix shows the inter-relationship between these functions.
- 3.15 In relation to the Council's allocations to homeless households the 2<sup>nd</sup> table in Appendix 4 shows our performance in comparison to our benchmarked authorities over the past 3 years.
- 3.16 A further concern in relation to the use of B and B accommodation is the change to Unsuitable Accommodation Order and the reduction of the time that a family can spend in B and B from 14 to 7 days.
- 3.17 East Lothian has until the last year or so ensured that over 90% of families subject to the order were accommodated directly into furnished temporary accommodation. However the last 18 months has seen an increase in both the number of families with children approaching the service and those having to access emergency B and B accommodation.
- 3.18 This situation has impacted on our ability to meet these families' needs within the 14 day target. The average days spent in B and B by such clients up to January 2016 was 7 days. However since then the average has increased to 10 days.
- 3.19 It is clear that unless action is taken to improve the throughput in temporary accommodation, it is extremely unlikely that the council will meet its legal responsibility of moving a family from B and B within 7 days.
- 3.20 The recent position reflects a situation of congestion in temporary accommodation, leading to increased waiting times and increased use and waiting times in B and B. As a result we have an increase in the latent demand on the housing register from homeless applicants. The table below shows the housing register in relation to applicants to whom the Council had a full re-housing duty on the 3<sup>rd</sup> March 2017.

	Total allocations 2016/17	Homeless applicants on Priority list 31st March 17	% demand	Average days on Priority at 31st March
1-2 apt general needs	88	340	386	486
1-2 apt sheltered/amenity	54	7	13	294
3apt	221	222	100	325
4-5 apt	73	84	115	317
<b>Total</b>	<b>436</b>	<b>653</b>	<b>150</b>	<b>424</b>

## Homelessness Action Plan

3.21 Appendix 5 contains the Homelessness Action Plan which outlines a wide range of proposed measures that would allow officers to further develop homelessness services to meet the needs of those who are homeless or threatened with homelessness.

3.22 The action plan has developed actions to address immediate needs and fulfil statutory obligations but also to identify future interventions to ensure that the Council can continue to build on the successes it has achieved in relation to the prevention of homelessness and the delivery of related housing services.

3.23 No single measure in the action plan will provide a solution to the challenges the council faces in terms of its homeless prevention and response services. However there are some key themes that can be drawn out from the plan that are of particular importance in establishing the environment in which the remainder of the plan can be effectively delivered, including:

- Theme 1 – Delivery of the Housing Options Training Toolkit

This will build on staff training to date and ensure that we provide consistent housing options advice and effective homeless prevention to clients before they reach a crisis in which homelessness is unavoidable.

- Theme 2 – Pre-tenancy checks to identify where applicants require additional support.

Targeted support to help tenancy sustainment and prevent repeat homelessness. Specialist support services, in line with the ‘Housing First’ approach, to be explored.

- Theme 3 – Review portfolio of existing temporary accommodation to ensure best use is being made; consider if some can be ‘flipped’ to permanent accommodation if it meets the tenant’s requirements, to avoid need to move again.

This along with the overall review of the portfolio will reduce the “systematic” process whereby all homeless families move twice in

the process of re-housing, along with the associated difficulties that causes for families.

This will also help address community misgivings and the issue of stigma that can both occur with long term used of properties as temporary accommodation.

- Theme 4 - The proportion of allocation to Homeless applicants will be reviewed to ensure targets appropriately reflect demand while ensuring balanced communities.

This will increase turnover within the homeless allocations process ensuring that sufficient temporary accommodation is available to ensure that the council eliminates the use of B and B accommodation for families with children other than in outright emergencies.

It will also reduce the time to re-house applicants , towards a similar level that are being achieved in areas where we have benefit by substantial “new build “ activity, which has stimulated movement within the housing system.

- Theme 5 – Maximise use of CRISIS or other agencies and their support available to homeless clients living in temporary accommodation, including assistance for UC claimants dealing with DWP.

Joint training on homelessness awareness for Job Centre Plus to maximise use of their support available to homeless clients living in temporary accommodation, including assistance for UC claimants dealing with DWP. Thereby ensuring an even higher level of tenancy sustainability, and reduced repeat homelessness.

- Theme 6 - Review Homelessness Operations Policy.

To ensure that case management processes undertaken by the Council support staff fully meet objectives of increased homeless prevention activities and provide a more effective response when homelessness does occur.

#### **4 POLICY IMPLICATIONS**

- 4.1 The operational elements of the action plan will require some immediate changes to the allocations policy, which will be the subject of a separate report to the Cabinet (*Housing Allocations Policy – Interim Amendments*).
- 4.2 Other actions which are more strategic or which will involve policy changes will be subject to future reports to Cabinet / Council.

## **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 A full integrated impact assessment will be undertaken as part of the full allocations policy review work.

## **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – The Homelessness Service costs £1.5 million and is funded within the general services budget. The costs of the provision of temporary furnished accommodation are met by rent payments for the houses in question. However the implementation of UC has seen an increase in rent arrears within these temporary accommodation tenancies, similar to the increase in rent arrears for mainstream tenancies in properties on the Housing Revenue Account.

Of more concern is the impact of UC on the costs of Bed and Breakfast accommodation. There are 2 significant issues in relation to UC regulations and these costs. Firstly on a “systems” basis anyone receiving Housing Costs through UC must be in that accommodation at the time their payment is made. If someone moves into B and B applies for UC then moves to alternative accommodation before a UC payment is made, then no payment will be made for any period of the B and B accommodation, leaving the Council with a shortfall to meet. Secondly, the level of income received by the Council from payment for such accommodation has been significantly reduced under UC. Given this, the continued use of B and B at current levels represents a significant financial risk to the Council, and any further increase in use increases that financial risk.

Scottish Government have allocated funding to local authorities to assist in mitigating the impacts of welfare reform (e.g. Universal Credit, Benefit Cap) on providing temporary accommodation. East Lothian Council was allocated £785,000 p.a. for 2 years, 2017/18-2018/19. Working closely with Finance colleagues, plans have been developed by officers for how this money will be best used.

- 6.2 Personnel - none

- 6.3 Other – none

## **7 BACKGROUND PAPERS**

- 7.1 14 June 2016 - Council House Allocation Targets for 2016/17

<b>AUTHOR'S NAME</b>	Douglas Proudfoot
<b>DESIGNATION</b>	Head of Service (Development)
<b>CONTACT INFO</b>	Ian Patterson x 7544
<b>DATE</b>	2 November 2017



## Appendix 1 – Homeless/ Housing Legislation – Key Issues

### Housing Scotland Act 1987, as subsequently amended

28 Inquiry into cases of possible homelessness or threatened homelessness.

*(1) If a person (“an applicant”) applies to a local authority for accommodation, or for assistance in obtaining accommodation, and the authority have reason to believe that he may be homeless or threatened with homelessness, they shall make such inquiries as are necessary to satisfy themselves as to whether he is homeless or threatened with homelessness.*

#### Interim Duty to Accommodate

9.5 If an authority has reason to believe an applicant is homeless it has an interim duty to secure accommodation until it has reached a final decision on their application. This duty continues during the process of review if one is requested.

9.6 Where the authority's decision is that it has a duty to provide accommodation under section 31 the interim duty continues **until the section 31 duty is discharged.**

#### The Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2004

9.9 Under this Order (which came into force in December 2004) and was amended in 2014.

Local authorities cannot put households with children and pregnant women into "unsuitable" temporary accommodation unless exceptional circumstances apply. Exceptional circumstances are intended to give flexibility to councils when meeting their new duty, as well as giving families the ability to exercise choice in whether to stay in unsuitable accommodation beyond 14 days.

The most recent change October 2017 reduced the 14 day target to 7 days

#### Temporary Accommodation with advice and assistance (section 31(3))

9.30 Where the applicant is assessed as being intentionally homeless, the duty is to secure that accommodation is made available for such a period as will give the applicant a reasonable opportunity to find alternative accommodation for him or herself.

#### Guidance on Temporary and interim accommodation

*Homeless people should not be placed in temporary accommodation unnecessarily, and their time there **should be as short as possible**. Care should also be taken to avoid moves between temporary placements particularly for households with children. Moves are disruptive, and can exacerbate existing social or health problems including mental illness, hinder continuity of education and employment, can lead to repeat homelessness and in the worst cases can cause families to split up. Temporary accommodation will also tend to be more*

*expensive than permanent accommodation, particularly if there are moves from one temporary accommodation to another.*

## **Housing Allocations**

Persons to have priority on housing list and allocation of housing.

(1) A local authority and a registered social landlord] shall, in relation to all houses held by them for housing purposes, secure that in the selection of their tenants a reasonable preference is given—

(a) to persons who—

(i) are occupying houses which do not meet the tolerable standard; or

(ii) are occupying overcrowded houses; or

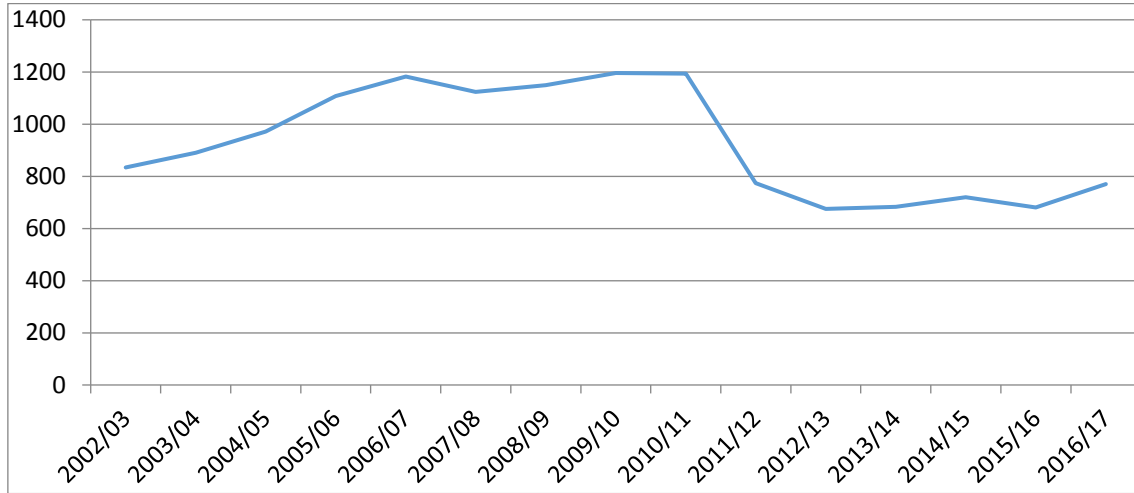
(iii) have large families; or

(iv) are living under unsatisfactory housing conditions; and

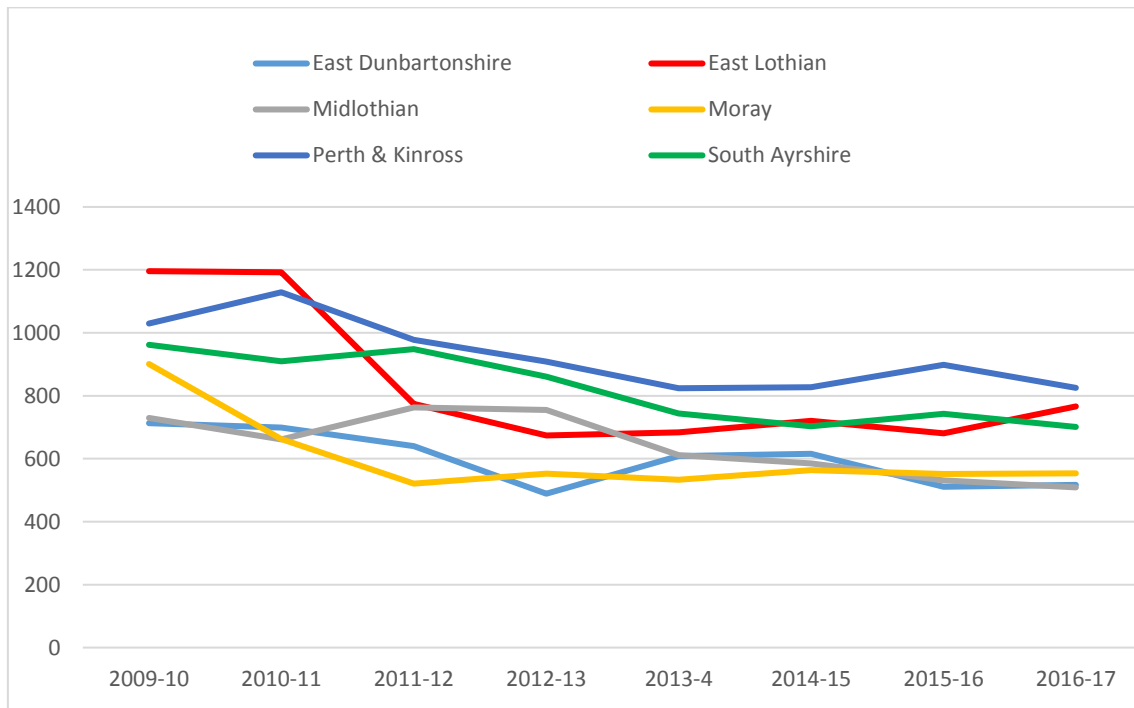
(b) to homeless persons and persons threatened with homelessness (within the meaning of Part II).

## Appendix 2 – Homeless Demand and Benchmarking Comparisons

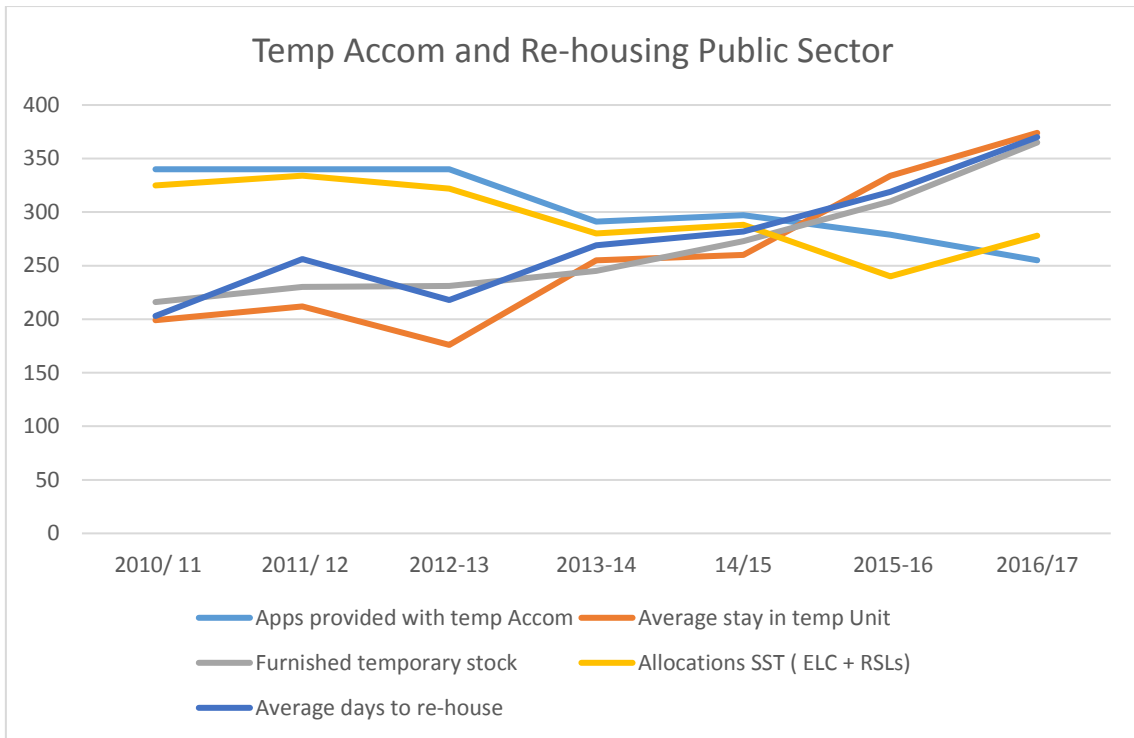
### Homeless Assessments 2010 to March 2017



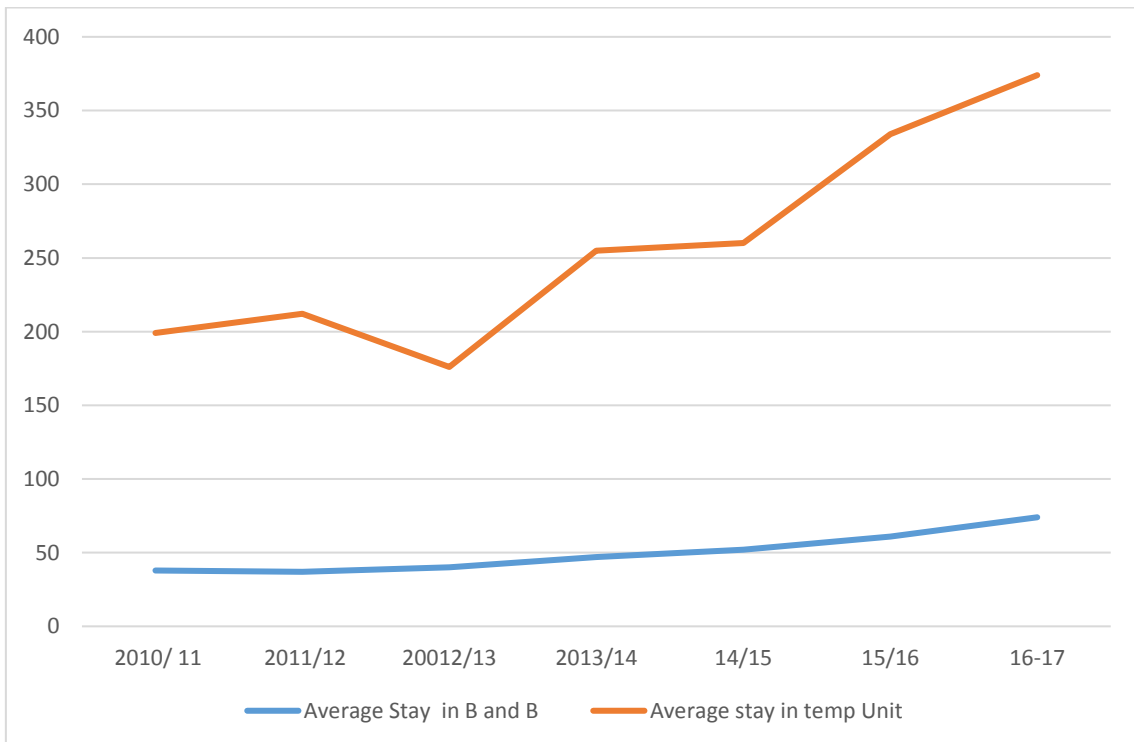
### Benchmarking Comparisons



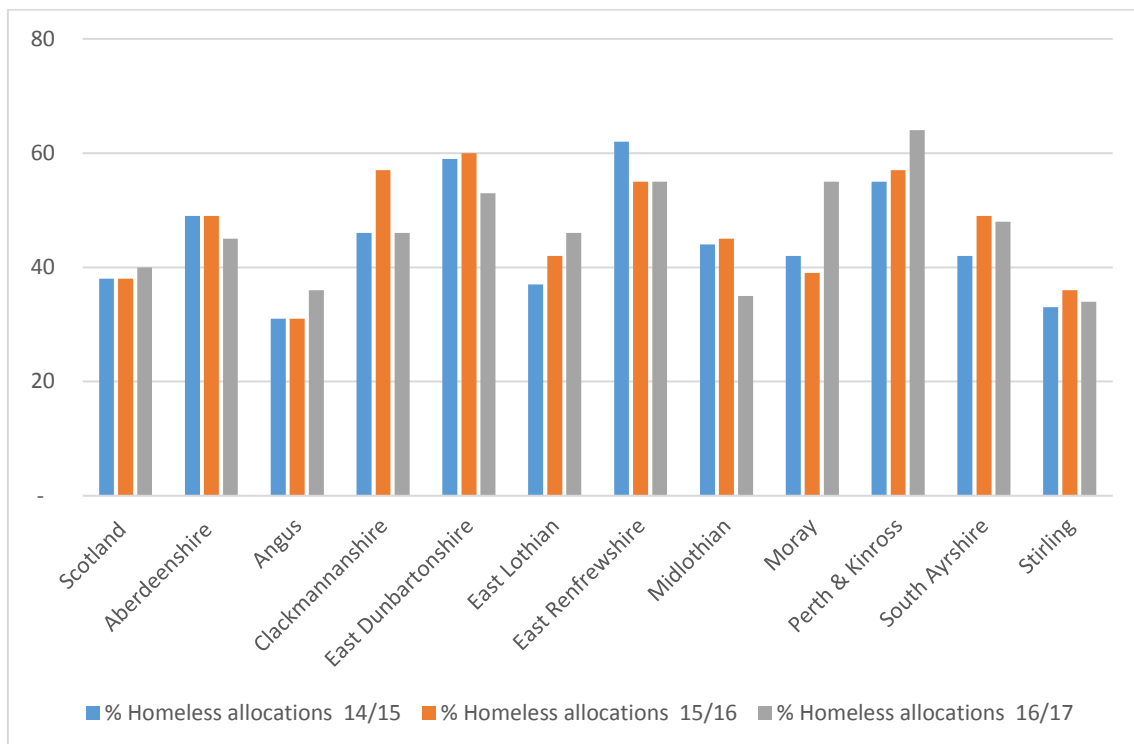
### Appendix 3 – Provision of Temporary Accommodation and re-housing data



### Time spent in Temporary Accommodation



## Appendix 4 - % Homeless Allocations 2014-17



## Appendix 5 – Homelessness Action Plan

Objective	Area of Impact	Time frame	Current Position
<b>Theme 1 - Housing Options - Increasing Homeless Prevention</b>			
Implementation of national Housing Options training toolkit to all frontline housing, homeless and other appropriate staff and to promote homeless prevention, ensuring a consistent message is conveyed and to realistically manage expectations. This will assist in improving the wider community awareness of not only the pressured housing environment but also the Housing Options philosophy and the focus on preventing homelessness.	Housing options	2018/19	Procurement commenced September 2017. Partnership/Consortium of 32 Councils and Glasgow Housing Association. Supplier to be appointed early 2018.
<b>Theme 2 - Operations Priorities to establish short-term improvements</b>			
Refer long-term cases in temporary accommodation to the Re-housing Panel for an award of additional points to promote their chance of attaining permanent re-housing.	Operational	2017/18	Commenced Autumn 2017
Pre-tenancy checks in place to help identify vulnerabilities earlier and target tenancy support to prevent tenancy management issues arising help sustain tenancies and prevent homelessness through evictions or abandonments. Housing First model also being explored to ensure appropriate specialist support available for homeless people with complex needs.	Operational	2017/18	Commenced July 2017

Explore with RSLs if they can increase the proportion of their allocations which go to homeless applicants (currently 50%).	Operational	2017/18	Underway
Explore options for taking swifter legal action to recover any temporary accommodation tenancies (use of SSST v's Occupancy Agreements) to make best use of stock.	Operational	2017/18	Commenced Autumn 2017
Void management – Property Maintenance to prioritise improving turnaround timescales for temporary accommodation, specifically relating to cleaning, redecoration etc. Voids policy and process review during 2017/18 should also lead to improved turnaround times.	Operational	2017/18	Commence early 2018
Crisis - Engage with Crisis homelessness service to explore flat-share arrangements for single people living in temporary accommodation/B+B, help build stronger links with private sector landlords and maximise use of Rent Guarantee Scheme.	Operational	2018/19	Initial discussions Autumn 2017
Additional facility acquired to provide additional supported accommodation for vulnerable young people and those leaving care - requires support funding from Children's Services.	Operational	2018/19	Discussion held with Children's Wellbeing and potential service provider
Raise awareness amongst colleagues of the housing and homelessness challenges and ensure shared 'One Council' approach.	Operational	2017/18	Joint meetings commenced 2017
<b>Theme 3 - Temporary Accommodation - Priorities to establish short term improvements</b>			
Re-designate more mainstream housing to be used as temporary accommodation, currently 379 units (of which 121 are PSL); aim to increase this to c. 400 by end of March 2018, through a combination of OMAs and re-designation.	Temporary Accommodation	2018/19	Commenced summer 2017

Focus on increasing supply of larger family-sized temporary accommodation from ELC's mainstream stock and closely monitor to avoid further potential breaches of the Unsuitable Accommodation order, through close working with local Community Housing Managers.	Temporary Accommodation	2017/18	Commenced Autumn 2017
Review portfolio of existing temporary accommodation to ensure stock is where most needed; consider if some can be 'flipped' to permanent accommodation if it meets the tenant's requirements, to avoid need to move again.	Temporary Accommodation	2017/18	Start date 2018
Explore with RSLs if they can provide more temporary accommodation.	Temporary Accommodation	2017/18	Underway additional units in use
Re-procurement of the Private Sector Leasing (PSL) contract in autumn 2017– options appraisal being undertaken, to include possibly bringing this service in-house	Temporary Accommodation	2017/18	Underway Autumn 2017
Cyrenians proposing new temp accommodation model – info received, meeting with Midlothian Council to discuss as possible joint initiative.	Temporary Accommodation	2018/19	Further discussions planned winter 2017
Continue to add to ELC's housing stock through targeted purchasing of Open Market Acquisitions (OMAs), which attracts Scottish Government subsidy.	Temporary Accommodation	2017/18	Underway 2017/18
<b>Theme 4 - Housing Allocations Policy - Priorities to establish short terms improvements and longer term policy objectives</b>			
The Allocations Policy review will focus on addressing urgent homeless pressures, e.g. removal of temporary accommodation points, review choice options (areas, house types).	Allocations policy	2018/19	Initial working group established and process underway
The proportion of allocations to Homeless applicants will be reviewed to ensure targets appropriately reflect demand while ensuring balanced communities.	Allocations policy	2017/18	Report January 18 Cabinet



Health and Homelessness – analysis by Scottish Government HL1/health stats research results due Autumn 2017. Opportunity for more collaborative working with public health/Health & Social Care colleagues on public health and homelessness.	Allocations policy	2017/18	Data analysis underway but now likely to be January 2018
<b>Theme 5 - Improving Support to homeless clients to allow them to access complementary services to improve their housing options</b>			
Crisis – Link in with Crisis’s employability and training services for homeless people; includes digital skills development and pre-tenancy training to help improve sustainment. Strengthen links with EL Works and CLD	Support Services	2017/18	Start date January 2018
Crisis – maximise use of their support available to homeless clients living in temporary accommodation, including assistance for UC claimants dealing with DWP. Joint training on homelessness awareness for Job Centre Plus staff	Support Services	2018/19	Pilot underway 2017
Scottish Churches Housing Action project – exploring establishment of starter packs project, optimising volunteer support from members of church congregations to help vulnerable and homeless people in their communities (also linked to Area Partnerships)	Support Services	2017/18	Discussions completed 2017, progressing to implementation and identification of other opportunities
<b>Theme 6 - Strategic activity</b>			
The new Local Housing Strategy will include a review of the temporary accommodation strategy.	Strategy	2017/18	Ongoing currently
Review Homelessness Operations Policy.	Strategy	2018/19	Commenced Summer 2017
Young people leaving care. Review protocol arrangements to enable planned approach to ensure starter flats available when required. Explore potential for more care experienced young people to receive support to attain the SQA’s pre-tenancy qualification, in conjunction with Children’s Services.	Strategy	20117/18	Start date January 2018