

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Neighbourhoods & Community Services Scrutiny Panel

**DATE:** 1<sup>st</sup> November 2018

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**WARD(S):** All

### **PART I** **FOR COMMENT & CONSIDERATION**

#### **HOMELESSNESS IN SLOUGH**

1. **Purpose of Report**

This report updates the Neighbourhoods and Community Services Scrutiny Panel on the challenges faced when managing homelessness in Slough.

2. **Recommendation(s)**

That the Panel note the report and to also note the Homelessness Strategy that is attached in draft to this report.

3. **The Slough Joint Wellbeing Strategy, the JSNA, Five Year Plan and Housing Strategy**

**The Slough Joint Wellbeing Strategy, the JSNA**

3a Housing is one of the key priorities of Slough's Joint Wellbeing Strategy (SJWS). Mitigating homelessness contributes to reducing inequalities in health through access to housing. There are clear links between housing and the JSNA priorities around improving health conditions, particularly mental health and protecting vulnerable children.

**Five Year Plan Outcomes**

3b Outcome 4 of Slough's Five Year Plan 2017-2021 states: "Our residents will have access to good quality homes". This outcome recognises the critical links between improved health and wellbeing and access to good quality housing.

4. **Other Implications**

(a) **Financial**

There are no direct financial implications arising from this report. However, indirectly there are very significant financial implications for the Council given the rising numbers of homeless households residing in expensive temporary accommodation. A number of measures are being taken to address the situation and some of these are highlighted in the body of the report.

(b) Risk Management

There are no direct risk management implications arising from this report.

(c) Human Rights Act and Other Legal Implications

There are no direct human rights implications arising from this report.

(d) Equalities Impact Assessment

An equality impact assessment is not necessary for the compilation of this report.

5. **Background Information**

**The up-to-date Position**

5.1 There are 449 homeless households in all forms of temporary accommodation as at 12<sup>th</sup> October 2018 (this has fallen from a high of 480). There has been a large increase since August 2017, when temporary accommodation numbers were 348.

5.2 There are a number of reasons why homelessness has increased:

- Local Housing Allowance (LHA) caps have meant that the difference between the LHA rate and a market rent has widened, making renting in the private sector unaffordable for many homeless households;
- Ability to discharge our housing duty into the private rented sector is limited by the money available to pay incentives;
- The implementation of the Homeless Reduction Act on 3<sup>rd</sup> April 2018 has seen an increase in homeless households approaching the Council;
- London boroughs are discharging their housing duty into Slough, which is causing additional housing pressures for the future; and
- Across the Country, homeless numbers are increasing generally.

**Local Housing Allowance (LHA)**

5.3 The Local Housing Allowance (LHA), which sets the maximum amount of rent that can be recovered by housing benefit for private rented sector (PRS) properties, was set at the lowest 30% of the housing market rents. The gap between private sector rents and the amount that LHA will cover continues to widen. Further welfare reforms, which have followed, were meant to reduce government spending and encourage households back to work, have affected PRS supply and increased evictions. Households' LHA entitlement is less likely to cover the full contractual rent due as real rent increases have overtaken the LHA rates in Slough.

**Incentive Payments**

5.4 Incentive payments are paid to the landlord to bridge the gap between the LHA level and the market rent. Currently, £250k is available for incentives, which enables the Council to pay for approximately 38 incentives to landlords, therefore discharging our homeless duties into these properties. Last year the average incentive payment was £9k but that was because this approach had just restarted

after the team was disbanded. Therefore, the current package is offering better value for money, although officers are still driving these costs down.

- 5.5 It is not currently possible to stop these costs because the whole homeless market has been organised around incentive payments to landlords to access private sector supply. Also, London boroughs, among others, are accessing the private sector in Slough by paying far higher incentive payments than we are so if we do not pay these fees, we will not access the supply.
- 5.6 The Council's housing company, James Elliman Homes received £10m last year and £18m this year to buy properties on the open market to rent to predominantly homeless households. Although over 60 have been bought, 13 have so far been let and there are currently 6 under offer. The rest will be coming available within the next 2 to 4 months. After these properties are bought, works are carried out to bring them up to a lettable standard.

### **Implementation of the Homeless Reduction Act 2017**

- 5.7 The main change in homelessness legislation created a 56 day 'prevention period' for households to present themselves as homeless, instead of the previous 28 days statutory period. This meant that local authorities had more time to prevent actual homelessness. If households were not prevented from being homeless within 56 days, they would move to the relief stage, which lasted for a further 56 days, where accommodation could be secured for at least 6 months to discharge the relief duty. However, if relief is not secured within this time, a homeless household would move into the main phase of the homeless duty. Legislation has therefore become more complicated and a homeless household can stay in the system for much longer.
- 5.8 The number of households who approached as homeless in 2017/18 was 506. The number who approached between April and September 2018 was 810. This represents an increase of over 62% in just 6 months. This increase has flowed through into temporary accommodation and from a recent high of 480 households, there are currently 447 households in all forms of temporary accommodation as at 19<sup>th</sup> October 2018. This unprecedented level of households in temporary accommodation is causing significant budget pressure for the Council.
- 5.9 Appendix A shows a snapshot of the reasons for households becoming homeless. The main reasons for homelessness are loss of Assured Shorthold Tenancies and Parental Exclusion.

### **The London Impact**

- 5.10 The Localism Act 2011 made it possible for local authorities to discharge their housing duty out of their home borough into another local authority area. What this means in reality is that when the Assured Shorthold Tenancy ends (after 2 years) that household will present themselves homeless to that borough. Any homeless household presenting to Slough under these circumstances will be the responsibility of Slough.

5.11 Although local authorities are meant to notify the receiving borough of these arrangements, figures are vastly under-reported and therefore it is considered that the information is unreliable. However, this is the only information (collated by London boroughs) available on movements into Slough:

- between September 2016 to August 2017 – 178 households were placed in Slough
  - between July 2017 to May 2018 – 74 households were placed in Slough
  - between August 2017 to September 2018 – 66 households were placed in Slough
- note that these periods will have some duplicate numbers

5.12 Appendix B is an example of a notification from Hillingdon. It is to be noted that a person household was housed in Slough in to a 2 year Assured Shorthold Tenancy. When the tenancy ends on 14/9/19, this household will present 9 as homeless to Slough, unless their homelessness can be prevented. The landlord will expect Slough to make an incentive payment to keep the household in the home beyond the tenancy period. If this payment is not paid, they will be evicted.

5.13 In a limited exercise, 36 cases were looked at. These were homeless cases. 25% of these cases had a Slough and an address, outside of Slough, in the last 5 years. This shows that 25% of homeless households are not indigenous to Slough, although the limited size of the sample must be noted.

### **The National Picture**

5.14 The number of homeless families and individuals placed in temporary accommodation jumped to 78,000 last year, an 8% rise on the year and a massive 60% rise since 2012. The number of homeless households placed in B&Bs – which are often cramped, unsuitable and sometimes even dangerous – rose particularly quickly, with a 10% rise on the year. If trends continue there will be 100,000 households living in B&Bs, hostels and other temporary accommodation.

### **Homelessness Strategy**

5.15 The Homelessness Strategy is in draft and is going through some final stages of consultation with the voluntary sector and other partners before it is signed off. The Strategy has three distinct areas: general homelessness; single homelessness and rough sleepers. The Strategy is attached at Appendix C.

5.16 For single/homelessness, the strategy focuses on the need to obtain better and more affordable housing provision, particularly in the private sector. The Council also has to collectively deal with young people in a more holistic way after a recent visit from the Homelessness Advice and Support Team, a part of the Ministry of Housing, Communities and Local Government, made a number of recommendations to the Council and the Children's Trust.

5.17 The third element deals with rough sleepers. The Council has received £260k this year to make a difference in this area and work has begun to do this. One of the quick wins is to bring Serena Hall back into use as a Winter Night Shelter and the Severe Weather Emergency Provision (SWEP) for the borough in the extremes of winter, although the aim is to open the provision from the middle of November 2018 to March 2019 (7pm until 7am). The general intention of this

work is to create successful housing pathways to enable rough sleepers to leave the streets permanently. It should be noted that the official Rough Sleepers' Count starts at 11.15 pm on 14<sup>th</sup> November 2018 and ends at 5 am on 15<sup>th</sup> November 2018. The Count will be co-ordinated from Serena Hall. Councillors are welcome to volunteer to join the Count.

- 5.18 The Wellbeing Board has set up a Task and Finish Group, chaired by Alan Sinclair, Director of Adult Social Care and Communities. This group will be reporting separately on the work it is carrying out to assist Housing with these issues.
- 5.19 This strategy is the Council's response to the challenges currently in homelessness.

### **Homelessness Review**

- 5.20 The issues surrounding homelessness isn't just about households presenting as homeless and the unaffordable private rented sector, among other things. It is also about how the management of resources is used to deal with this work area. It can be easy to be complacent because some of the problems surrounding homelessness can become overwhelming, but the Council must always ensure that it is doing all it can to ensure that the systems used are as effective as possible.
- 5.21 The Council therefore commissioned a piece of work to look at the service and to report on its effectiveness. It was anticipated that a draft of the review would be available for the Panel to consider but the review has become more extensive and is not available as yet.

### **Looking Forward**

- 5.22 Notwithstanding the strategies, action plans and reviews, there are other discussions taking place to help to manage the homelessness concerns. Officers feel that it is important for the Council to consider housing homeless households out of Slough as a full discharge of its housing duty. This would be controversial but we must consider that Slough is importing homeless households from outside of Slough and this is increasing demand for limited resources.
- 5.23 The Council hosted a Housing Options Event at the beginning of October 2018 to introduce homeless households to a voluntary service to relocate them outside of Slough. Whilst the majority of the 80 plus households, who attended, were not interested, over 20 households signed up to receive more information and explore a possible move. Any household moving would be a success but we are unable to compel anyone to move. Officers will continue to promote this scheme, although a survey on the day revealed that a large majority of households who attended the event are prepared to wait in temporary accommodation until they are housed by the Council.

## **6. Comments of Other Committees**

This report has not been discussed by any other committees of Slough Borough Council. The report was commissioned as a result of this Panel discussing the Five Year Plan on 6<sup>th</sup> September 2018.

7. **Conclusion**

- 7.1 There is a significant amount of activity going on in the homelessness area. The government have recognised the rough sleeping concerns across the country and have provided some additional financial help to assist local authorities. This will help the Council Town Centre Team with their approach to managing the Town Centre.
- 7.2 The Council recognises the importance of keeping on top of these challenges and is renewing its homeless strategies and is looking at how services are being delivered. The Council will be looking to refresh its Housing Strategy because although the current one was written in 2017, the housing world has moved on particularly in Slough.

8. **Appendices**

- A - Reason for Homelessness
- B - Hillingdon Homeless Household Notification
- C - Draft Homelessness Strategy

9. **Background Papers**

Agenda papers and minutes, Neighbourhoods and Community Services Scrutiny Panel, 6<sup>th</sup> September 2018