

**Environment Overview and Scrutiny Committee
Tuesday, 31 January 2017**

REPORT TITLE:	Homelessness in Wirral and the implementation of the Homelessness Reduction Bill
REPORT OF:	Managing Director for Delivery

REPORT SUMMARY

This represents an update to the report issued to the Regeneration & Environment Policy and Performance Committee in March 2016, in which Members were advised of the extent of homelessness in Wirral, and the potential effects on levels of homelessness, arising from welfare reforms. This report is also intended to inform Members of the progress of the Homeless Reduction Bill and how this new legislation may change how Council's respond to the issue of homelessness.

The issue of homelessness has the potential to affect all Wards within the Borough.

Tackling the challenges and causes of homeless in Wirral is a key outcome under the Environment theme in 'Wirral Council Plan: A 2020 Vision' of protecting the most vulnerable of Wirral's residents. It also assists with the achievement of a number of the pledges set out in the Council's vision, these being:

- *"Good quality housing that meets the needs of residents"*
- *"Children are ready for school"*
- *"Wirral residents live healthier lives"*
- *"Vulnerable children reach their full potential"*
- *"Reduce child and family poverty"*
- *"Zero tolerance to Domestic Violence"*
- *"Community Services are joined-up and accessible"*
- *"People with disabilities live independently"*
- *"Older People Live Well"*
- *"Wirral's neighbourhoods are safe"*

This does **not** represent a key decision.

RECOMMENDATION/S

Members are requested to note the content of this report.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

1.1 The content of this report is for noting.

2.0 OTHER OPTIONS CONSIDERED

2.1 No other options have been considered.

3.0 BACKGROUND INFORMATION

3.1 In March 2016, Members were informed that homelessness rarely has a single cause or explanation; it is often regarded as a symptom of wider underlying problems, for example those who suffer from health problems, substance misuse or have an offending background. It is generally agreed that homelessness usually occurs as a result of the combination of:

- Structural factors such as poverty, housing shortages; or
- Individual factors e.g. vulnerability through ill health, drug use, etc.

3.2 Compared to the general population, those who are homeless experience poorer health outcomes and the consequences of homelessness will often stretch beyond the immediate effect and go on to have a lasting impact on those individuals.

3.3 The previous report explained that there are different 'types' of homelessness and the Council's response will differ accordingly:

4.0 STATUTORY HOMELESSNESS

4.1 Local Authorities in England have a legal duty to secure accommodation for unintentionally homeless households who fall into a 'priority need' category. This is commonly referred to as the 'main homeless duty'. In addition to the statutory responsibility of the provision of accommodation for eligible applicants, the Housing Act 1996 also places a duty on Councils to provide free advice and assistance to all people experiencing, or threatened with homelessness.

4.2 In 2015/16, the number of households that were determined as being owed the main homeless duty was 72. This represents a reduction of 28% against the previous year and a reduction of 47% against 2013/14 figures. As indicated to Committee in March 2016, this reduction in the number of statutory homeless acceptances is felt to be as a consequence of an increased focus on preventing homelessness from actually occurring, rather

than a decrease in the number of homeless, or potentially homeless households presenting to the Council.

- 4.3 The table below indicates the main reasons that led to homelessness for those households that were identified as being owed the main homeless duty. At Committee March 2016 the report advised that the numbers of people that were owed a main homeless duty by the Council as a consequence of a violent relationship breakdown with their partners had, doubled when compared with 2013/14 data. At the conclusion of the 2015/16 financial year, the total number of people accepted as statutory homeless as a result of a violent relationship breakdown with their partner was 14, representing a 27% increase against 2014/15 levels, and over 130% increase against 2013/14 statistics.

Main Reason for loss of last settled home – Households owed a full duty	2013/14	2014/15	2015/16
Parents no longer willing or able to accommodate	26	13	7
Other friends/relatives no longer willing or able to accommodate	23	11	7
Non-violent breakdown of relationship with partner	14	8	11
Violent breakdown of relationship, involving partner	6	11	14
Violent breakdown of relationship involving associated person	2	4	3
Racially motivated violence	0	2	0
Other form of violence	8	6	3
Racially motivated harassment	0	0	0
Other form of harassment	3	4	1
Mortgage arrears	12	5	3
Rent arrears – Social Landlord	1	0	0
Rent arrears- Private Sector Dwelling	2	3	2
Termination of Assured Shorthold Tenancy	14	17	9
Other reasons for loss of rented or tied accommodation	5	0	1
Required to leave National Asylum Support Service Accommodation	0	0	0
Left Prison/Remand	6	0	0
Left Hospital	2	4	1
Left other institution or local authority care	3	5	0
Left HM Forces	2	0	0
Other reason for loss of settled home	7	5	10

Table 1: Main reason for loss of settled home for households owed a full duty

5.0 SINGLE HOMELESSNESS

- 5.1 Single homeless people are those who are homeless, but who do not meet the priority need criteria to be housed by the local authority under homelessness legislation. They may live in supported accommodation, ‘sofa-surf’ or live in squats. They may also be referred to as non-statutory homeless. In terms of supported housing for homeless people in Wirral, there are 9 organisations, delivering 19 distinct services, which provide 391 bed-spaces for both young people and adults.

- 5.2 Access to these services is arranged through a web-based referral management system called ‘MainStay’ which is in operation across the Liverpool City Region. Mainstay acts as a “virtual” single point of access for

those needing floating or accommodation based support services. This means that those who require these services can present to an 'assessment point' at a range of services across the Borough and receive a common assessment and be referred to the most appropriate service(s) which meets their needs at that point. Whilst the system is operated on a Pan-Merseyside basis, it has been tailored to be reflective of the housing need, and service provision within each individual Authority.

- 5.3 For 2015/16, 'MainStay' reports that **786** homeless, unique, individuals were accommodated in Wirral's homeless accommodation services.

6.0 ROUGH SLEEPERS

- 6.1 Rough sleepers are defined for the purpose of statistics as "people sleeping, or bedded down, in the open air (such as on the streets, or in doorways, parks or bus shelters); people in buildings or other places not designed for habitation (such as shop loading areas, barns, sheds, car parks, cars, derelict boats and stations) In Wirral, Service Users have reported sleeping in Birkenhead Park, coal-bunkers, sheds they have broken into and tents along the waterfront.
- 6.2 Each year, Central Government requires Council's to perform either a 'count' or 'estimate' of the number of rough sleepers in their respective boroughs. Whilst providing useful data, it is generally accepted that the methodology (set out by Central Government) used to conduct Rough Sleeper estimates/counts is not sufficiently robust enough to capture the true scale of the problem; a situation that the Government themselves recognises and which is in the process of being re-evaluated.
- 6.3 Notwithstanding this, the most recent Rough Sleeper estimate conducted in Wirral in November 2016 identified 11 Rough Sleepers, representing an increase of 37.5% against the previous year's data.
- 6.4 It is important to note that there may be multiple reasons why an individual may sleep rough in Wirral. For some, it represents a lifestyle choice, whereas for others it is borne out of the fact that some individuals will demonstrate with behaviours that are simply too challenging to be effectively and safely managed within a hostel setting and, consequently, experience a cycle of service exclusions. Even when excluded, these individuals are still able to access the YMCA Night Shelter unless they continue to demonstrate challenging behaviour, which may result in a time-limited exclusion period.

7.0 HOMELESS REDUCTION BILL

- 7.1 The Homelessness Reduction Bill (HRB), which draws heavily on Welsh homeless legislation and proposals put forward by an independent expert panel commissioned by the homeless charity 'Crisis', is a Private Member's Bill recently introduced by Bob Blackman MP.
- 7.2 The HRB, which has benefited from pre-legislative scrutiny by the Communities and Local Government Select Committee, proposes significant change to the current homeless legislation. Focusing on advice, information and prevention, the HRB aims to set out more clearly the types of housing advice and information local authorities must provide to people before they become homeless or are threatened with homelessness. This new duty would apply to all eligible households irrespective of priority need and intentional homelessness. The onus would be on local authorities to demonstrate that they are taking reasonable steps to prevent homelessness.
- 7.3 Within current homeless legislation, a person is considered as being threatened with homelessness if it is likely that he will become homeless within 28 days. The HRB proposes to extend that period to 56 days to enable local authorities to respond to the threat of homelessness at a much earlier point, and providing help such as mediation with landlords, financial assistance by way of grant or loan, or debt management support. It will further provide that local authorities will have to accept a valid notice to quit or equivalent as evidence that the tenant is threatened with homelessness, overturning the rule laid down in *Sacupima v Newham LBC* [2001] that tenants do not become homeless until physically evicted from their properties.
- 7.4 A full summary of the principal changes that will be introduced once the bill has been passed can be found in **Appendix 1**.
- 7.5 Although welcoming the broad principles behind the proposed changes, the initial impression of housing professionals is that the changes will result in increased demand on Housing Options Teams around the country. For example, at the current time, Councils are required to begin investigating homelessness, once the household has received formal notice that they will be made homeless within 28 days. The proposed increase to 56 days will result is likely to result in increased footfall experienced by the Housing Options Team.
- 7.6 In December 2016, The Department of Communities and Local Government (DCLG) announced the availability of funding, for which Local Authorities could bid for; to reinforce homeless prevention activity; to prevent rough sleeping; and to prepare for the introduction of the HRB. A co-ordinated bid was submitted on behalf of the authorities that comprise the Liverpool City Region and, although DCLG initially advised that the LCR bid had been

unsuccessful, they have since made contact to discuss the potential of funding further homeless-related activity across the LCR, through the devolution agreement.

8.0 WELFARE REFORM – FUNDING FOR SUPPORTED HOUSING (*EXEMPT ACCOMMODATION*)

- 8.1 The previous report submitted in March 2016 to the Committee focused on the impacts of certain reforms; the Benefit Cap, the Spare Room Subsidy and the changes to the administration and eligibility of the Local Housing Allowance and Housing Benefit systems. Personnel from the Housing Options Team continue to work closely with colleagues from Finance regarding the imposition of these reforms and to ensure that those affected, or potentially affected by these Reforms are able to access appropriate advice and assistance. To facilitate this, the Housing Options Team has recently implemented a Service Level Agreement with Wirral Citizens Advice Bureau for the provision of a money/debt advice service, targeted at those households experiencing, or at risk of homelessness, located within the Housing Options Team.
- 8.2 For the purpose of this report however, the focus is on the proposed changes to the funding arrangements for supported housing services, which are a key resource in responding to homelessness.
- 8.3 Supported housing covers a range of different housing types, including group homes, hostels, refuges, supported living complexes and sheltered housing. Rent levels in supported housing are typically higher than for similar accommodation in the private sector.
- 8.4 For those residents eligible to receive Housing Benefit, it can assist with their rent payments. Supported housing that meets certain criteria is treated as '*exempt accommodation*' for Housing Benefit purposes. As such, the Housing Benefit regulations, which limit rents to defined local levels, do not apply to accommodation where the landlord (housing association or voluntary organisation) provides "*care, support or supervision*"
- 8.5 The Summer Budget 2015 announced the imposition of rent reductions for social housing landlords. Measures included in the Welfare Reform and Work Act 2016 required these landlords to lower their rents by 1%, each year for four years from April 2016. This was followed by the Spending Review and Autumn Statement 2015 in which the Chancellor announced his intention to cap the amount of rent that Housing Benefit payable in the social rented sector to the relevant Local Housing Allowance level, which is the rate paid to most private renters on Housing Benefit

- 8.6 Supported Housing Providers have argued that, given their higher rent levels and slim operating margins, the proposed measures would have a particularly negative impact on their revenue streams and could, potentially, threaten the viability of existing and future schemes. Nationally, Supported Housing Providers have called for an exemption for supported housing from both of these measures, arguing that supported housing delivers average net savings to the public purse and that demand for this type of accommodation is growing.
- 8.7 Consequently, Government announced a one-year exemption for the supported housing sector from the 1% rent reduction. A one-year delay in applying Local Housing Allowance caps to residents in supported housing was also announced. The DWP and DCLG jointly commissioned an evidence review to look at the size and scope of the supported housing sector.
- 8.8 In September 2016, Government announced a further delay in the application of LHA rates in the supported housing sector to 2019/20. At the point of implementation, the rates will apply to all supported housing residents in receipt of Housing Benefit. At the same time, a new funding model will be introduced under which local authorities in England will receive ring-fenced funding to meet the shortfall between the LHA rates and the cost of provision, and which will be administered to housing providers. The Government also announced that the Shared Accommodation Rate for claimants under 35 will not apply to residents in supported housing. A separate funding model may be developed specifically for short-term accommodation such as refuges and hostels.
- 8.9 The report arising from the evidence review was published on 21 November 2016 together with a consultation document. The consultation process, which is taking submissions up to 13 February 2017, is seeking views on how the new funding model should work in England.

9.0 FINANCIAL IMPLICATIONS

- 9.1 There are no immediate financial implications arising from this report.

10.0 LEGAL IMPLICATIONS

- 10.1 The provision of a homeless service is a statutory requirement under the Housing Act 1996 and the Homelessness Act 2002.
- 10.2 Assuming its' enshrinement in law, the Council will be legally obliged to comply with the requirements of the HRB.

11.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

11.1 There are no immediate resource implications arising from this report, however, the proposed requirements of the HRB represent a comparatively significant deviation from current practice. As such, it is recommended that a further report is brought to Members, once the bill has been passed, identifying the consequential resource implications.

12.0 RELEVANT RISKS

12.1 There is a continued risk that due to current economic climate and national agenda that incidence's of homelessness will increase significantly. There will need to be continued investment in related services and continued co-operation with relevant agencies to address this.

12.2 Failure to comply with the requirements of the HRB, once passed, will mean that the Council is in breach of its statutory obligations.

12.3 Supported Accommodation Services, funded by the Council and delivered by the community, voluntary and charitable sectors, are a key resource in combatting homelessness. Disinvestment in these services may compromise the Council's ability to deliver an effective response to the issue of homelessness in the Borough and may, potentially, result in increased incidences of visible homelessness. As mentioned earlier, it is important to note that the requirements of the HRB are drawn heavily from Welsh legislation, where funding for homeless accommodation services remains ring-fenced, in acknowledgment of the importance of the preventative housing-related support delivered by these services.

13.0 ENGAGEMENT/CONSULTATION

13.1 The Wirral Homeless Forum, which is facilitated and chaired by the Council, is intended to provide quarterly partnership focussed events that allow all homeless stakeholders from public, private and voluntary sectors to meet and discuss relevant issues in the borough. Members of the Forum work in partnership to respond to emerging policy, including consultation exercises, and funding opportunities; and, to work jointly to continually improve the homelessness response across all sectors in Wirral.

14.0 EQUALITY IMPLICATIONS

14.1 There are no equality implications arising from this report.

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APPENDICES

Appendix 1: *Principal changes to LA response to homelessness*

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
<i>'Homelessness and the impact of welfare reform'</i> Regeneration & Environment Policy and Performance Committee	March 22nd 2016

Appendix 1: Principal changes to LA response to homelessness

Extending the period an applicant is “threatened with homelessness” from 28 to 56 days. Currently, Local Authorities can accept a homeless application from someone, if it is likely that they could lose their home within the next 28 days.

This applies to tenancies in the Private and Social Housing Sectors and homeowners.

This Bill extends that period from 28 days to 56 days

Amending the definition of homelessness. To apply to households served with a notice seeking possession where the landlord intends to apply for possession and the council does not ask the applicant to remain in the accommodation.

Strengthened advice and information duty: Strengthens and clarifies the duty on housing authorities to provide advisory services to help to prevent homelessness.

New duty to assess and agree a personalised plan Requires local authorities to carry out an assessment of an applicant’s case if they are homeless or threatened with homelessness and develop an individual action plan

New ‘prevention’ duty in cases of threatened homelessness Requires local authorities to help to ensure that suitable accommodation does not cease to be available for applicants who are threatened with homelessness, regardless of priority need.

New ‘relief’ duty to help to secure accommodation Requires local authorities to help to secure accommodation for all applicants who the authority is satisfied are homeless and eligible for assistance, regardless of whether they are in priority need or whether they might be intentionally homeless

The Bill allows councils to give notice to applicants whom they consider to have deliberately and unreasonably refused to cooperate with the above duties or to take any step set out in the personalised plan People in this position are not entitled to the full homelessness duty even if they are in priority need. However, the council is required to accommodate priority need applicants until they are made a final offer of accommodation (which must be at least a 6 month tenancy).