

# Housing, Finance and Regeneration Policy and Scrutiny Committee

<b>Date:</b>	5 <sup>th</sup> June 2019
<b>Classification:</b>	General Release
<b>Title:</b>	Provision of Temporary Accommodation for Homeless Households
<b>Report of:</b>	Executive Director for Growth, Planning and Housing
<b>Cabinet Member Portfolio</b>	Cabinet Member for Housing Services
<b>Wards Involved:</b>	All
<b>Policy Context:</b>	To promote the quality of life for Westminster citizens by working with all our partners to improve the housing experience of our residents and the safety and social care of vulnerable people and their families
<b>Report Author and Contact Details:</b>	Gregory Roberts – 020 7641 2834 grobert2@westminster.gov.uk

## 1. Executive Summary

The Council has a duty under the Housing Act 1996 as amended by the Homelessness Act 2002 to ensure that accommodation is made available for homeless applicants who are owed a full housing duty by the Council. There are 2740 households in Temporary Accommodation (TA), just under half of which is within Westminster with the great majority of the remainder within London. The majority provides housing for families, with the principal requirement for 2 and 3 bedroom properties.

The level of Temporary Accommodation reflects demand for affordable housing is outstripping the available supply. This is a common issue across London but is more acute in higher value areas such as Westminster. In response the Council is seeking to increase the use of private rented sector properties both to prevent homelessness and as an alternative to long waits in TA.

## **2. Key Matters for the Committee's Consideration**

The report describes how the provision of TA is a reflection of high levels of demand which has led to the current volume of TA. Questions for the Committee's consideration are:

- How can the needs of households living in TA best be met e.g. securing employment, help meeting support needs?
- What more can be done to promote the private rented sector as an alternative to homelessness and TA?
- How can pan London work best be delivered given the issue is common to most London boroughs

## **3. Background**

The purpose of this report is to:

- Describe the factors that drive levels of Temporary Accommodation
- Summarise the current total level of Temporary Accommodation and how this has changed in recent years
- Provide a detailed breakdown of Temporary Accommodation by location, size, type, household composition, supplier with comparisons to pan London levels
- Set out the routes out of Temporary Accommodation, including future recommendations for increasing moves into the private rented sector in 4.11
- Describe the financial structure of the commissioning of TA
- Highlight key current initiatives

### **Statutory duties to provide Temporary Accommodation**

- 3.1 The Council has a duty under the Housing Act 1996 as amended by the Homelessness Act 2002 to ensure that accommodation is made available for homeless applicants who are owed a full housing duty by the Council.
- 3.2 A full housing duty is held where the applicant's immigration status entitles them and they are:
- Homeless with no alternative accommodation that is reasonable to occupy
  - In priority need (which includes for example any household with children and people vulnerable due to mental or physical ill-health)
  - Have a local connection, defined as resident in the local area for 6 months out of the previous 12 or 3 years out of the previous 5 (or no local connection elsewhere)

The Council is required to offer suitable Temporary Accommodation (TA) to accepted homeless households pending allocation of suitable longer-term housing whether affordable housing or through the private rented sector

- 3.3 The suitability of accommodation is governed by the Homelessness (Suitability of Accommodation) Order 1996 and by the Homelessness Code of Guidance for Local Authorities. This includes that when discharging its housing duties the Council must, so far as reasonably practicable, secure that accommodation in their own district. The Council is also under a general duty under the 2014 Children Act, to have regard to the need to safeguard and promote the welfare of children within their area
- 3.4 The Homelessness Reduction Act 2017 placed a new duty on Local Authorities to intervene earlier to help prevent homelessness and take reasonable steps to relieve homelessness for all eligible applicants, not just those in priority need and place households into TA where there is no alternative accommodation available
- 3.5 The Council's homelessness policy framework was approved in January 2017, reviewed in summer 2018 and introduced a suite of new homelessness policies:
- A Private Rented Sector Offers (PRSO) Policy which sets out that the Council may make homeless households the offer of a private rented tenancy rather than TA and then social housing
  - An Accommodation Placement Policy which prioritises homeless households for TA and PRSOs in three location Bands (Band 1 is Westminster and adjoining boroughs, Band 2 is Greater London and Band 3 is anywhere outside Greater London)
  - An Accommodation Procurement Policy which sets out the challenges in obtaining enough TA and PRSO properties to meet demand, and which are affordable to households (within benefit levels) and to the Council (within TA subsidy levels). It includes an action plan to provide enough accommodation to meet demand and the principles the Council will follow when procuring private properties for TA and PRSOs. It was underpinned by independent research which indicated where properties may be available.
- 3.6 The above framework reflects the challenges in securing accommodation that is affordable to households on low incomes both in Westminster and across London, whether to prevent homelessness, to discharge the Council's housing duty into the private rented sector or to provide Temporary Accommodation. The overall strategy remains to increase the supply of good quality accommodation available for households in housing need, maximising the availability of this in Westminster and then across London. Private sector properties procured are affordable for a sustained period of time, guaranteed

for two years where the housing duty is secured and inspected by officers in advance of moving

- 3.7 Currently homeless applicants requiring housing are placed into Stage 1 (emergency accommodation) before being moved on to longer-term leased accommodation. The stay in this type of accommodation allows for a comprehensive assessment of the household circumstances so that the Council can confirm whether it has a full statutory housing duty under the legislation. If a housing duty is confirmed the household is then moved into longer term accommodation and or offered private rented sector accommodation.

#### 4 Provision of Temporary Accommodation

- 4.1 The table below sets out current and previous levels of homeless applications, acceptances and TA since 2011 under the previous legislative framework, before the implementation of the Homeless Reduction Act. This highlights how TA has fluctuated, although with an overall increase, despite the homeless prevention work reducing numbers of accepted cases since 2013.

Demand Profile	31.3.11	31.3.12	31.3.13	31.3.14	31.3.15	31.3.16	31.3.17	31.3.18
Applications (p.a.)	1170	1445	1338	1002	1053	954	878	729
Acceptances (p.a.)	430	539	813	705	617	511	496	443
Households in TA	1726	1910	2450	2283	2397	2423	2518	2521

- 4.2 The current level of TA is 2740 and the table below breaks down the change over the past 12 months at month end.

April	May	June	July	August	September
2546	2548	2560	2578	2592	2627
October	November	December	January	February	March
2681	2701	2728	2724	2733	2740

- 4.3 This increase of c. 194 over the past year is reflective of the introduction of the Homeless Reduction Act that has had the effect of requiring Councils to provide housing under the duty to relieve homelessness and has thus seen an increase in levels of single homeless applicants where the Council has a duty to provide accommodation to relieve homelessness.
- 4.4 It should be noted that as decisions regarding a household's longer-term housing are being taken, this has led to the rate of increase seen at the start of

the year reduce and the level at mid-May was 2736. The changes introduced through the Homeless Reduction Act has also meant that it is not possible to compare directly applications and acceptances against previous years with applications under the HRA being an average of c. 200 per month in the year.

## **5 Temporary Accommodation Location and Property Type**

- 5.1 Having set out in the opening section that a Council has a duty to secure accommodation within its local boundaries wherever possible, in practice the local Westminster housing market means that whilst all attempts are made to maximise the level of in-borough accommodation, in practice just over half of TA is located outside of Westminster. This is broken down by borough in appendix A
- 5.2 Using the policy framework above, the council assesses in detail the suitability of every offer of accommodation that is made to individual homeless households, in line with legal requirements, including legislation and regulation, associated case law and statutory guidance. This leads to a comprehensive assessment of each placement made and takes into account factors such as:
- The accommodation available in borough or surrounding boroughs
  - Support by Adults or Children Services and whether the transfer of care would put the individual at risk
  - Size and location of the property and the availability of support networks
  - Health e.g. regular attendance at specialist healthcare services
  - Education, including whether children have a Statement of Special Educational Needs or an Education, Health and Care Plan, are receiving education or educational support in Westminster and where it is demonstrated that a placement elsewhere would be seriously detrimental to their well-being
  - Employment including the location and working hours of households
  - Other special circumstances, for example where there is a particular reason why the household should not be housed in an area (for example, due to a risk of violence), this will be taken into account when assessing suitability.

### **5.3 Provision of support to households placed in Temporary Accommodation**

Once placed into TA, The Housing Solutions Service, having completed the detailed assessment above, offers a range of support to households outside of the borough, which includes:

- A dedicated officer supporting families to ensure that all children have a school place in the local area
- Information and advice on the local amenities and services
- A floating support service to support vulnerable households with tenancy sustainment and intensive support to link into appropriate specialist services, including mental health support.
- A specialist homeless mental health team to support clients with higher support needs; this will include making recommendations for moves back into the borough where appropriate and linking in to services in the host authority.
- Drop in rent surgeries to assist clients in managing their finance and paying their rent
- Homeless employment team supporting individuals move into employment or training
- A TA lettings team responsible for ensuring that contact is maintained; managing concerns and transfers into alternative accommodation where appropriate.

5.4 A monthly Multi-agency Partnership meeting (made up of representatives from Housing, Floating Support Services, Adult and Children Services) has been introduced to manage concerns presented by households in TA, both inside and outside the borough, to ensure that households are appropriately supported and where possible that eviction is prevented. Referrals are made to the panel from the Housing Solutions Service, through TA suppliers and other agencies working with households.

5.5 Whilst the increase since the introduction of the Homeless Reduction Act over the past year has been driven by the increase in single person applications, the majority of households in TA are families, reflecting the lower availability of family size housing available for households on low incomes in Westminster compared with studio and one-bedroom housing. The breakdown of TA by property size is as follows:

Size	Units
Studio/ 1	574
2	1340
3	609
4	191
5	24
6	2
<b>Total</b>	<b>2740</b>

### Single Person Provision

- 5.6 The profile of single person homeless households, is predominantly people with histories of unstable housing, living with mental health problems, personality disorder, histories of substance misuse etc. Whilst there is a wide range of supported housing options available for vulnerable households, in practice this accommodation provides for particularly vulnerable households. As a result the single person accommodation used for TA should be suitable for this group, providing a safe and secure environments. Officers work with providers of single person accommodation to ensure that individuals are safeguarded, any incidents are appropriately managed, 24 hour cover is provided and clients are able to access the specialist mental health and substance misuse services available.
- 5.7 This supply of single person accommodation means that properties are available within the borough for the more vulnerable households in line with placement protocols, whilst ensuring there has been a supply of suitable accommodation to meet presenting demand

### **Provision of Family Accommodation**

- 5.8 Similarly with accommodation for families in housing need there is both a need to ensure that emergency accommodation is available for households in immediate need, together with a supply of longer-term suitable accommodation. By law no household with children can be placed in accommodation for more than 6 weeks which is not-self-contained. To meet this requirement and to reduce the number of moves families have, placements into non-self-contained accommodation are now very rare and then for very short periods of time.
- 5.9 Short-term accommodation is provided whilst household applications are assessed, prevention work undertaken and where appropriate longer-term accommodation is provided. Whilst self-contained, stays in such accommodation can become extended where applications are complex to complete, reviews of decisions are submitted or offers of suitable accommodation are challenged.
- 5.10 Across the portfolio of c. 2740 properties, officers aim to have 60 – 100 vacant properties, 2-3% of stock, balancing the need to manage void costs with having a supply of accommodation for households to move through emergency housing into longer term accommodation, whilst ensuring suitable accommodation is available at short-notice for particularly vulnerable households presenting as homeless on the day.

- 5.11 In order to ensure that there is available supply of accommodation to meet presenting need a dashboard of weekly information is collected, that includes numbers of placements into emergency TA, second stage placements, by singles and families, any placements of families in non-self-contained accommodation, any high cost placements, vacancies in emergency accommodation, total TA usage, number of new properties secured, number of property relets etc. in addition to routine monthly performance monitoring and daily monitoring of placement numbers and accommodation availability.

## **6. Moving from TA: Affordable Housing and Private Sector**

- 6.1 The length of stay in TA, assuming that an application is accepted and the Council has an ongoing duty to provide suitable accommodation varies due to a variety of factors, in particular, the size of property required.
- 6.2 For households where an ongoing duty is not owed, depending on individual circumstances, the emergency accommodation booking is ended with reasonable notice. Where households are particularly vulnerable and request a review of the decision, then accommodation can continue to be provided pending the outcome of the review and where decisions are upheld households can access advice services and be supported with moving into the private sector as required. Ending of duty creates a degree of churn in the available emergency stock and enables properties to become vacant for further use.
- 6.3 For accepted households the principal route away from TA is either through allocations into available social housing or into the private rented sector as a discharge of duty (PRSO.)
- 6.4 For social housing the projected number of lettings for homeless households for 2018/19 is (subject to final year end reconciliation and confirmation):

Waiting List	Studio	1 Bed	2 Bed	3 Bed	4 Bed +	Total
Homeless	44	125	68	49	4	290

Whilst the majority of available lettings are made to homeless households, there are clearly other households who are prioritised for available housing such as overcrowded tenants and those requiring moves as a result of the regeneration programme.

### **Moves into the Private Sector**

- 6.5 In the past year over 230 private sector prevention placements have been made. Not all of these households will have been living in TA prior to the move but the placements do prevent the longer-term use of TA.

- 6.6 Partly in response to the long waits most applicants currently have for a social housing tenancy a Private Rented Sector Offers Policy (PRSO) was introduced in 2017, to offer households a private renting tenancy, rather than them waiting in TA for social housing. 82 private sector discharges of duty (including qualifying offers where accepted households in TA agree to move into the PRS) have been completed in the year to date with a further 10-15 properties offered and households waiting to move. All properties are thoroughly inspected, are principally 2 bed with some 3 bedroom family size units, inspected and viewed before letting and are let at or close to LHA levels, guaranteed for at least 2 years and thus are affordable to households on low incomes. Follow-up visits by officers are completed and should any tenancy break down through no fault of the tenant within 2 years then the Council will rehouse the household.
- 6.7 A positive source of supply of properties has been through the St Mungo's Real Lettings scheme which the Council has invested in to secure a pipeline of good quality housing with support.
- 6.8 This total number of private sector discharges of duty compares above with the 68, 2 bed social housing lettings made to homeless households over the same time period. This shows that this scheme has almost doubled the total amount of settled, good quality family sized accommodation available for homeless households

### **Barriers to increasing private sector moves**

- 6.9 The Court of Appeal case into whether Westminster's discharging of its housing duty into a property in Worcester Park, was successful in demonstrating in the court that such an offer was suitable and reasonable. At the same time the case papers did highlight the detail required when completing a PRSO to show that specific properties are suitable for particular households. In particular the affordability assessment can be complex, where households are in employment, on low incomes. In practice to secure the volume of lettings described above, has required HSS to work with c. 200 households to complete individual assessments of suitability.
- 6.10 The Housing Solutions Service is in the process of reviewing all cases living in TA to assess long-term housing options. The effect of this will be to increase greatly the knowledge of households and increase the pool of households properties can be offered to in line with policy.
- 6.11 Increasing the supply of good quality suitable and affordable private sector supply can be met through existing the existing procurement framework. This includes for example the Council's £30m investment into the Real Lettings

scheme where properties are purchased for use as private sector discharge of duty with follow-on support provided by St Mungo's; working with London Councils, MHCLG and 13 London boroughs through establishing the Capital Letters company to procure accommodation across London as well as working with the established network of private landlords.

- 6.12 However to increase the number of actual lettings and moves requires households to make a positive choice to
- Working with households to emphasise the positive aspects of greater London areas, schools, employment, available property size, transport links etc.
  - Increasing the level of support provided after moves to ensure households are settled into their new homes
  - The potential for using households who have moved as a form of peer mentors to support other households to move
  - Improved advertising of private sector properties available for letting in order that households can see what is available and ideally make a positive decision to move into the properties available
  - Being robust in the response to households who in officers' view do not accept properties for valid reasons

## **7. Temporary Accommodation Procurement Structure**

- 7.1 Councils are expected to lease properties from the private sector to provide Temporary Accommodation. Payments are made to property owners or managers (principally Registered Providers) and Councils are able to charge homeless households to live in properties. The level of charge is set by a central government formula of 90% of 2011 LHA, with a management fee now paid through a separate grant.
- 7.2 This formula has remained unchanged since 2011 and in effect means that the Council's income per property has not increased for 8 years, whilst the private sector market has increased during this time. In addition homeless numbers have increased principally through reduced availability of private sector housing for households on low incomes and it is this market that is reducing that Councils are expected to use to secure properties to meet their statutory obligations.
- 7.3 As a result of pressures on supply the Council since 2016 has been purchasing properties directly as TA, completing over 175.
- 7.4 The market advantage that Council's do have is that rents are guaranteed as the Council is the landlord and thus makes payments directly to landlords and undertakes to manage the properties and in practice, with the directly

purchased units, means that the Council can secure the majority of properties at or close to the formula rents.

- 7.5 There are c. 35 suppliers of Temporary Accommodation to the Council. These vary from Registered Providers who lease properties directly from landlords and then to the Council and manage the properties, RP's that own properties purchased originally for use as TA, private property owners with a portfolio of various properties or that own one block, voluntary sector suppliers of TA that own or lease specific units.

## **8 Pan London working**

- 8.1 Most London boroughs have similar issues in meeting housing demand. This has led to various pan London initiatives, e.g. agreeing capped rates of emergency nightly-booked accommodation, the inter-borough TA agreement aimed at giving host boroughs priority for housing in their local area and the creation of the Capital Letters company.
- 8.2 The table at appendix B (taken from the most recent MHCLG published data in 2018) lists those authorities with total TA greater than 1000. It should be noted that although Westminster has focussed on maximising in-borough availability, the total number is less than other boroughs and generally the majority of Westminster's out of borough accommodation is not in neighbouring boroughs.

**If you have any queries about this Report or wish to inspect any of the Background Papers please contact Gregory Roberts (020 7641 2834)**  
**[grobert2@westminster.gov.uk](mailto:grobert2@westminster.gov.uk)**

## Appendix A: Location of WCC Temporary Accommodation

Borough	Units
BARKING AND DAGENHAM	160
BARNET	57
BEXLEY	2
BRENT	134
BROMLEY	3
CAMDEN	6
CROYDON	2
EALING	109
ENFIELD	79
GRAVESEND	1
GREENWICH	24
HACKNEY	64
HAMMERSMITH AND FULHAM	11
HARINGEY	35
HAVERING	30
HERTSEMERE	1
HILLINGDON	86
HOUNSLOW	18
HARROW	20
ISLINGTON	21
KENSINGTON & CHELSEA	22
LAMBETH	4
LEWISHAM	8
MERTON	3
NEWHAM	259
NORTH HERTFORDSHIRE	1
REDBRIDGE	96
SLOUGH	7
SOUTH END ON SEA	10
SOUTHWARK	45
TOWER HAMLETS	13
THURROCK	69
WALHAM FOREST	75
WANDSWORTH	15
WCC	1248
<b>Grand Total</b>	<b>2740</b>

## Appendix B: Boroughs with more than 1000 units of Temporary Accommodation

Borough	Total TA	In borough	Out of borough	% out of borough
Newham	4949	3184	1765	36%
Enfield	3466	2817	649	19%
Hackney	3026	2090	936	31%
Haringey	2962	1745	1217	41%
Barnet	2689	1589	1100	41%
<b>Westminster</b>	<b>2561*</b>	<b>1229</b>	<b>1332</b>	<b>52%</b>
Kensington and Chelsea	2477	706	1771	71%
Southwark	2442	1386	1056	43%
Brent	2345	2211	134	6%
Redbridge	2295	1068	1227	53%
Waltham Forest	2269	1092	1177	52%
Tower Hamlets	2210	2103	107	5%
Lambeth	2153	879	1274	59%
Ealing	2108	1247	861	41%
Lewisham	2036	1474	562	28%
Barking and Dagenham	1857	1323	534	29%
Croydon	1838	1506	332	18%
Bromley	1630	605	1025	63%
Hammersmith and Fulham	1421	604	817	57%
Harrow	1028	847	181	18%

\* of the total less than 4% are outside London