

**For General Release**

<b>REPORT TO:</b>	<b>CABINET</b> <b>26 February 2018</b>
<b>SUBJECT:</b>	<b>Implementation of the homelessness Reduction Act 2017</b>
<b>LEAD OFFICER:</b>	<b>Shifa Mustafa, Executive Director - Place Julia Pitt/Paul Aston, Director/Head of Service</b>
<b>CABINET MEMBER:</b>	<b>Alison Butler, Deputy Leader and Cabinet member for Homes, Regeneration and Planning Louisa Woodley, Cabinet member for Families, Health and Social Care</b>
<b>WARDS:</b>	<b>All</b>
<b>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</b> The Homelessness Reduction Act 2017 comes into force in April 2018. It introduces a number of new statutory duties on local authorities to assist people who are homeless or threatened with homelessness. These new duties will significantly increase demand on housing and support services within the Gateway and Welfare directorate, parts of which will have to be redesigned in order to meet the new duties. It will require ICT development to report outcomes, pathways and Personal Housing Plans. Whilst implementation of these changes are statutory requirements, it does give the Council an opportunity to strengthen the offer to residents currently assisted by the Gateway and Welfare directorate with regard to increasing independence, financial resilience/stability, reducing homelessness, access to training, employment and customers taking ownership of their housing outcomes.	
<b>FINANCIAL IMPACT:</b> The paper sets out the financial risks and implications for the Council and customers.	
<b>KEY DECISION REFERENCE NO: Not a key decision</b>	
The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below <b>1. RECOMMENDATIONS</b> The cabinet is recommended to: 1.1 Note the impact arising from the introduction of the Homelessness Reduction Act. 1.2 Note the proposed actions by the Council to assist customers and comply with the new statutory duties as detailed within the body of the report.	

## **2. EXECUTIVE SUMMARY**

- 2.1 This reports outlines the new duties, their impact and the changes being made to Gateway and Welfare services in order to be ready for the implementation of the Homelessness Reduction Act 2017 (the Act). Whilst we welcome the Act it poses a significant challenge to the local authority and a service struggling to cope with demand.
- 2.2 Prior to the introduction of the Act there was no statutory duty on Local Authorities to prevent homelessness. Limited resources and high demand meant single non priority homeless applicants were often denied the opportunity to see a housing adviser, given a reduced service and frequently signposted to other agencies.
- 2.3 The new Act is based on the model adopted in Wales which is lauded as a model of good service delivery. However, it should be noted the context of housing provision in Wales is very different to that in England, particularly London Local Authorities and they received transitional funding of 10 million over 3 years and have received a further 6 million for 2018/19. Nevertheless, for the most part the same statutory provisions have been adopted in the Act.
- 2.4 The Act introduces preventing and relieving homelessness as a statutory duty for anyone who is eligible (i.e. has a legal right to remain in the UK) and is homeless or threatened with homelessness.
- 2.5 Fortunately, the Gateway and Welfare Directorate is ahead of most Local Authorities in being prepared for the changes having already successfully designed services with prevention and early intervention at its centre. However, the new duties and expected increase in customer demand will mean teams – initially within the housing needs and assessments service - will have to be redesigned and expanded to cope with the additional pressures. The London Borough of Southwark, who undertook a Homeless Trailblazer Pilot, reported a 50% increase in customer demand and we expect the same in Croydon which will mean a potential increase of approximately 1,400 homeless applications and associated administration introduced under the legislation.

## **3. DETAIL**

- 3.1 The Act will commence on 3 April 2018. Croydon have been allocated 1.2 million over 3 years by Central government. This is less than the 2.2 million we estimate is required for implementation and service delivery. We will endeavour to reduce costs where possible and keep the service under review to ensure effective allocation of resources. The finance section in this paper explains how we will use the allocated funds from Central Government, however, any additional spend will have to be met from the Flexible Homelessness Support Grant and where possible from Central Government.
- 3.2 The Ministry of Housing, Communities and Local Government has changed the current homeless data collection system (P1E's) which now includes more detail around how we have prevented and relieved homelessness under the new duties.

### 3.3 **The main changes under the Homelessness Reduction Act 2017:**

- 3.4 There is a duty to provide advisory services around preventing homelessness; securing alternative accommodation; legal rights; the duties owed to the customer by the local authority and signposting to where help is available and how to access it if homeless or threatened with homelessness. These advisory services must be designed with specific vulnerable groups in mind, including prisoners on release, victims of domestic abuse, and persons suffering from mental illness or impairment.
- 3.5 A person is now considered threatened with homelessness if it is likely they will lose their accommodation within 56 days - previously, this was 28 days which means that councils will be required to try to prevent homelessness within a longer period of time.
- 3.6 The above referenced 56 day duty requires authorities to prevent or relieve homelessness by taking reasonable steps to assist the customer to keep their current accommodation or find alternative accommodation where there is a prospect it will last for at least 6 months.
- 3.7 There is the introduction of a new section - 189A- which places a duty on the Council to carry out an assessment in all cases where an eligible applicant is homeless, or threatened with homelessness. This is regardless of whether there is any priority need or possible intentional homelessness. There is a requirement, in undertaking the duty to assess the applicant's circumstances, housing and support needs, to provide this assessment in writing to the applicant. Following this, the council must 'try' to agree with the applicant as part of their Personalised Housing Plan:

- (a) any steps the applicant is to be required to take for the purposes of securing that the applicant and any other relevant persons have and are able to retain suitable accommodation, and
- (b) the steps the authority are to take for those purposes.

If there is agreement, this must be recorded in writing. If there is no agreement, the council must set out in writing:

- (a) why they could not agree,
- (b) any steps the authority consider it would be reasonable to require the applicant to take, and
- (c) the steps the authority are to take

Both the assessment and the appropriateness of the agreement and steps to be taken by the council must be kept under continuous review until the end of duty in one form or another, and any changes to the council's assessment notified to the applicant in writing. Likewise if any agreement or step is no longer considered appropriate by the council.

- 3.8 A new duty is introduced by the Act and placed on public bodies e.g. police, NHS Trusts, GPs, schools etc. to refer service users to the Local Authority if they believe they are homeless or threatened with homelessness - *Implementation if this duty has been postponed until October 2018.*

3.9 The introduction of pathway plans for vulnerable groups' e.g. care leavers, ex-prisoners promoting joint working with partners to prevent homelessness.

3.10 New rights of review regarding the decision of the local authority to end the prevention or relief duty; against the reasonable steps the authority will take and the decision to end the duty for deliberate and unreasonable refusal to co-operate.

### 3.11 **The Impact of the Change**

3.12 Customer demand: Currently the housing needs and assessment service manages customer contact/demand by use of an online assessment form which prioritises appointments according to homeless date and apparent priority need. Due to high demand and limited resources, applicants who are not in priority need are not automatically offered an appointment and are given advice and information which outlines what the council is able to do for them based on the information they have given. This often results in the customer not proceeding with a homelessness application, however, if the customer still wishes to be seen an appointment is made via our triage service.

The Act means this approach will need to change as we will be legally bound to accept a prevention or relief duty as long as we are satisfied the customer is eligible and homeless. Priority need is not a factor which means all applicants will receive an assessment of their housing need and a Personal Housing Plan which is an agreement which outlines the steps we will undertake to prevent and relieve homeless and the steps the customer has to take. The personal housing plan must be kept under review and is one of the new areas a customer can request a legal review.

These changes will place a considerable administrative burden on authorities. We are likely to see customer demand increase by 50% and interview times double. We also are required to remain in contact with customers throughout the homelessness journey and review their plan as their circumstances change or the duty ends.

There will be a further increase in demand when the duty on public bodies to refer to the local authority, customers whom they believe to be homeless or threatened with homelessness, is implemented in October 2018.

3.13 Pressure on services within Gateway: In order to comply with the duties there will be increased demand for Discretionary Housing Payments and Croydon Discretionary Scheme as it is used to assist customers to prevent homelessness, secure alternative accommodation, clear debt and incentivise landlords.

As the duties apply regardless of priority need the Council will have to assist an increased number of customers many of whom will require support with other Gateway services around reducing debt, budgeting, access to work and training as well as practical support to access affordable accommodation in the private rented sector.

It is also likely the Council will see an increase in the length of time interim accommodation will need to be provided, such as in cases where homelessness cannot be relieved within 56 days and the applicant is intentionally homeless. The government would also like to see more discretionary placements which means increased demand for supported accommodation and floating support although there is no increased funding for these services.

- 3.14 Staffing: The additional burdens cannot be met with our current levels of staff. The London Borough of Southwark recruited an additional 30 members of staff to meet the new duties. However, we currently feel we will not require this number as we already have in place a directorate designed to provide early intervention, prevention and support. However, due to the increase in customer numbers and statutory administration imposed by the Act we will have to increase staff numbers in order to manage and offer a proper service.
- 3.15 ICT: The current systems will not meet our new requirements as they are not set up for the changes and we are not able to report on the P1E data referenced earlier in this report. We will have to change the online assessment; the current appointment system; create personal housing and pathway plans; build in alerts, make changes to reflect the changes in case management and capture prevention/relief activities.

### 3:16 **Council response to the changes**

- 3.17 Current position: The Council welcomes the changes implemented by the Act as this gives a statutory framework to build on the work already pioneered within the Gateway and Welfare directorate.

The housing needs and assessment service already utilise action plans to assist customers prevent or postpone homelessness, access alternative accommodation and obtain support with budgeting and other services within Gateway. The service negotiate with landlords and work with customers to resolve underlying issues which may be causing a threat of homelessness.

The cost of the average homeless application is £6700 and the service has prevented over 250 households from becoming homeless; they have assisted over 100 customers in Bed and Breakfast accommodation to access private sector accommodation and reduced caseloads to under 250 all of which has contributed to a 26% reduction of households in bed and breakfast working together with our colleagues in housing needs.

The Council has also seen improved outcomes and a significant reduction in cyclical homelessness for single homeless and rough sleepers via the work of our Support Needs and Placement service who work closely with organisations such as Crisis and Croydon Reach.

Since Gateway was set up in 2015, we have helped more than 1,300 families avoid homelessness, supported over 500 people into jobs and given £2m to support residents with rent arrears. In the past year, the Gateway service has also run budgeting, employment, debt and housing workshops for 500 residents and helped more than 2,200 people on Universal Credit with their digital skills.

The new Community Connect alliance of statutory, voluntary, community and private sectors has widened the Gateway approach to:

- prevent 29 New Addington and Fieldway households from becoming homeless, including preventing eight evictions;
- reduce rent debts and improved household finances among 34 families; and
- help 27 residents into work or training, 14 of whom had been long-term unemployed.

The council's work on Community Connect has now led to it being named as a finalist at this summer's UK Housing Awards 2018 under the category of Innovation of the Year.

It is imperative in light of the new Act this work continues but it would be difficult to achieve the same outcomes with the increase in demand if the funding doesn't continue.

### 3.18 Opportunities:

To continue to build on the success of the council's early intervention work and widen the Gateway approach into the community.

The Act means local authorities will have to intervene much earlier when there is a threat of homelessness which will increase the Council's opportunities for prevention and reduce crisis interventions which are much more costly for the authority.

Customers now **have** to work with the council to help find their own solutions. This will mean a greater number of customers have to engage with the Council in keeping or looking for a home, finding work, budgeting etc. reducing the numbers who become homeless. The Council can also use Personal Housing Plans for example, to assist customers with support needs to take back control of their lives.

There will be stronger partnership working and co-production of services especially for 'vulnerable groups' which will see better outcomes for customers realised.

### 3.19 Redesigning the 'front door': The current online assessment form is being redesigned to capture more information upfront regarding the customers personal and housing circumstances. This is to assist the council to identify much earlier the events which have led to homelessness and tailor the support available - not just in housing needs and assessments but for all Gateway and Welfare Services - and increase opportunities for successful outcomes. This will also help to reduce interview times as less information will need to be obtained at interview.

The new assessment form will produce a draft personal housing plan based on the information provided by the customer. This will ensure the plan is created as early on in the housing journey as possible and will also help manage customers' expectations as to the reasonable steps both the authority and they will have to take to prevent or relieve their homelessness. This will be built

within 'My Account' which will allow the Council to interact with the customer online, create alerts and keep the personal housing plan under review.

3.20 Purchasing Ohms Advice Module : The Council are currently undertaking a review of ICT across People's department so this is an interim option which will allow us to record all the prevention cases and outcomes within Ohms which the Council currently use for existing homeless applications and resource monitoring. The Council will also be able to provide the data requested by Ministry of Housing, Communities and Local Government.

3.21 Team changes: The existing housing needs and assessment service comprises a **Triage team** who deals with all initial contact – this team will be expanded to deal with the increase in customers and the referrals from public bodies.

**The Prevention team** currently deal with all customers who are threatened with homeless in the private sector, parental and family/friend evictions if there is reasonable notice – this team will be increased as the team will have to have more interaction with the customer, intervene earlier as homelessness is triggered at 56 days and to deal with the increase in administration. The team will only work with families.

**The Casework team** currently deal with customers who are statutorily homeless – this team will become the Relief team and they will only deal with families. Although the team will no longer deal with single homeless they will now have to create personal housing plans and focus on relieving homelessness for those owed the relief duty increasing pressure on the service.

**The Intervention team** currently work with customers in bed and breakfast accommodation to find alternative accommodation in the private rented sector. This team will be expanded and work across the whole service to assist customers to find alternative accommodation.

**The Support Needs and Placement team (SNAP)** work with non-priority single homeless with support needs and rough sleepers to access supported accommodation. This team will become the Singles team and be expanded to deal with all single people who are homeless or threatened with homelessness owed the prevention or relief duty. The team will also continue to work with those with support needs to access the appropriate accommodation and access floating support.

**The Housing Emergency Accommodation Team (HEAT)** manage the emergency placement of homeless households – there will be no changes made to this team.

**The Reviews team** respond to all requests for Statutory reviews of homelessness decisions and the suitability of accommodation offered – this team will be expanded to reflect the additional rights of review introduced by the new Act, a significant change which will see a considerable increase in Statutory reviews undertaken by the council.

### 3.22 Risks

Risks	Mitigation
The council has underestimated the demand	<p>Incremental changes to allow flexibility to review and change the service as demand and pressures become better understood e.g. the singles team will initially consist of current SNAP officers who will work to their existing job description and the increase will be generic housing needs officers who will deal with the statutory homelessness functions.</p> <p>All new officers across the service will be recruited on a permanent contract to enhance our ability to attract the best candidates in a competitive market. They will be recruited under the current generic job description allowing flexibility to move if the estimates are incorrect.</p>
ICT development not ready in time	<p>The Council may have to buy in additional admin support and develop the CRM in the short term to capture prevention outcomes. However, this would mean separate reporting from the council's main homelessness reporting system (OHMs)</p>
Finance – the council has underestimated the cost of delivery.	<p>May have to use more of the Flexible Homelessness Grant to meet the gap in funding.</p> <p>We will be reviewing the service every three months.</p>
Increase in number of interviews and double current interview times when DWP taking over part of reception.	<p>Revisit the appointment system and find opportunities to minimise on site appointments. Ask for additional resource in access Croydon. Use of technologies such as Skype</p>
Increase in demand for Supported accommodation	<p>May have to increase use bed and breakfast accommodation which will increase costs</p>
Referrals from Public bodies	<p>May create a bottle neck – will have to increase the Triage team and potentially the Singles team if numbers are too high. However, this may be possible within the current numbers if we have overestimated demand in other areas.</p>
Working with Partners	<p>Getting referral routes right, however this has been postponed until October which should give sufficient time to have the right mechanisms in place.</p>
Increase in Statutory Reviews undertaken by the council.	<p>Have already identified areas where the Council can be more flexible on the personal plans</p>



	Not rigidly applying the non-co-operation decision
Demand/competition for housing need officers	'Growing our own', offering secondments and opportunities to existing staff within the council and taking on apprentices who we will train to undertake homeless functions.  Offering fixed term contracts to existing temps

#### 4. CONSULTATION

4.1 No consultation is required as no restructure is planned and no changes to current job descriptions.

#### 5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

##### 1 Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
<b>Revenue budget available</b>				
Expenditure	160	660	666	-
Homelessness Reduction Grant Act	(464)	(425)	(402)	-
	<u>(304)</u>	<u>235</u>	<u>264 *</u>	<u>-</u>
Carry forward underspend		(235)	(69)	
Flexible Homelessness Support Grant			(195)	

1.1 Croydon has been allocated a total of £1.2 million, from 2017/18, over 3 years to fund the new Homelessness Reduction Act (HRA) as set out above. We estimate that in 2017/18, the grant will be underspent. This underspend will, therefore, be carried forward into 2018/19 and 2019/20 where expenditure is expected to exceed the annual allocation.

- 1.2 In 2019/20, any shortfall between expenditure and income from the annual Homelessness Reduction Grant and underspends will be met from the Flexible Homelessness Support Grant where available. We currently estimate this to be £195k.

## **2 The effect of the decision**

- 2.1 N/A

## **3 Risks**

- 3.1 The grant allocation has only been agreed until 2019/20. If homelessness is not reduced as anticipated, this will result in extra costs which will have to be met by the Council. We will seek further support from central government wherever possible.
- 3.2 There is an anticipated increase in customer demand by 50% which could have implications for increased costs if there was a corresponding rise in the use of emergency and temporary accommodation. At this stage, we are not able to quantify any impact.

## **4 Options**

- 4.1 This is a legislative requirement for local authorities, with the introduction of new statutory duties.

## **5 Future savings/efficiencies**

This is a national change, no additional future savings/efficiencies anticipated outside of current Gateway projections.

Approved by: Lisa Taylor, Director of Finance, Investment and Risk (Deputy S151 Officer)

## **6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER**

- 6.1 The Solicitor to the Council comments that the Homelessness Reduction Bill was introduced in June 2016 by Bob Blackman MP, following an independent panel review of homelessness legislation in England; in October 2016, the Government announced they would be supporting the Bill. The Bill received royal assent on 27 April 2017 as the Homelessness Reduction Act 2017 ("The Act") and amends the Housing Act 1996, and the Homelessness Order 2012, to create new homelessness prevention and support duties for councils in England. The majority of the duties within the Act come into force as of April 2018.
- 6.2 Key measures introduced by the Act include:
  - 6.2.1 that the window for defining "threatened with homelessness" is extended - the timeframe within which someone is defined as "threatened with homelessness" has been extended from 28 to 56 days; this means councils will be required to try to prevent homelessness within a longer period.

- 6.2.2 The obligation to ensure free information and advice on homelessness requires local authorities to ensure provision of free information and advice on preventing and relieving homelessness, and households' rights, to all persons. These services must be designed with specific vulnerable groups in mind, including prisoners on release, victims of domestic abuse, and persons suffering from mental illness or impairment.
- 6.2.3 There is no longer a requirement for Priority Need or local connection- where an applicant is homeless or threatened with homelessness, and eligible for assistance, then the council must carry out an assessment into the causes of the homelessness and the applicant's housing and support needs. There is no requirement for the applicant to have Priority Need or a local connection.
- 6.3.4 Notification of the relevant council – section 10 places a duty on all public authorities – police, NHS trusts, Schools and GP's - where they encounter someone who they believe to be homeless or threatened with homelessness – to ask that person to allow the relevant council to be informed. If the person agrees, the public authority must notify the council and provide the person's contact details.
- 6.3 The Act also allows the Secretary of State to produce codes of practice for Councils' functions in relation to homelessness and homelessness prevention (Section 11 of the Act).

Approved by: Sandra Herbert, Head of Litigation and Corporate Law for and on behalf of Jacqueline Harris-Baker, Director of Law and Monitoring Officer

## **7. HUMAN RESOURCES IMPACT**

- 7.1 If required the recruitment of additional staff and any realignment of existing staff will be managed in accordance with the Council's normal policies and processes.

(Approved by: Jennifer Sankar, Interim Head of Place on behalf of Sue Moorman, Director of Human Resources)

## **8. EQUALITIES IMPACT**

- 8.1 The Homeless Reduction Act 2017 changes are all led by Central Government and the impact of the changes is national.

We have completed the first stage of the Equalities Analysis to determine if a full Equality Analysis is needed and/or further monitoring needs to be undertaken.

[Appx 3 EQIA Homelessness Reduction Bill.doc](#)

The outcome of the first stage assessment is there are no EQIA no impacts and full EQIA not necessary.

**9. ENVIRONMENTAL IMPACT**

9.1 No known impact

**10. CRIME AND DISORDER REDUCTION IMPACT**

10.1 No known impact

**11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION**

11.1 As outlined in the paper which is for information only.

**12. OPTIONS CONSIDERED AND REJECTED**

12.1 We are not currently considering options to reject, the paper is for information only.

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**CONTACT OFFICER:** Paul Aston, Head of Housing Needs and Assessment Ext. 62914

**APPENDICES TO THIS REPORT:**

Appendix 1 Housing Needs and Assessment Redesign  
Appendix 2 Needs and Assessment Staffing  
Appendix 3 Gateway and Welfare Model

**BACKGROUND PAPERS:**

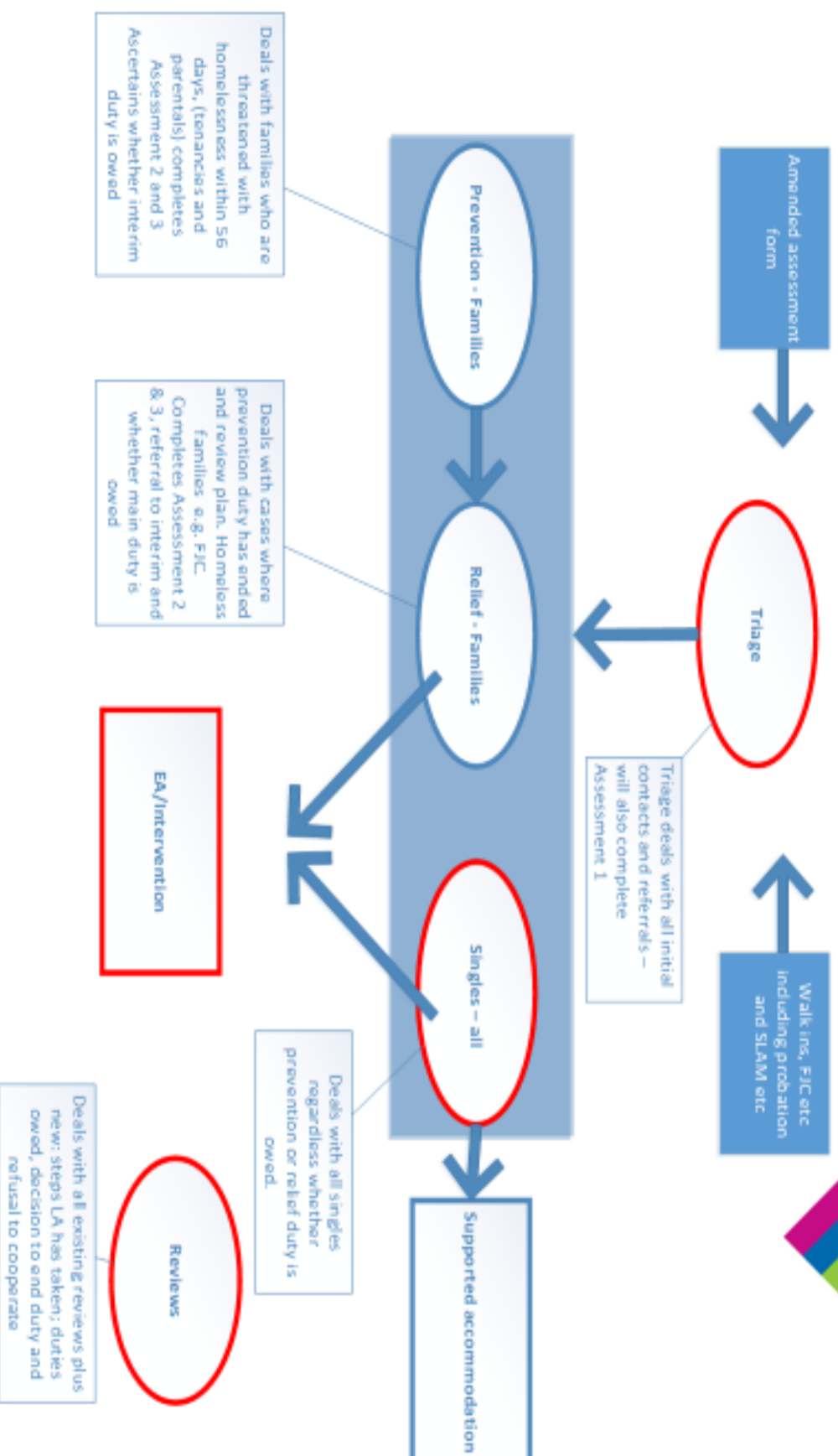
None

## **Appendices**

# Appendix 1

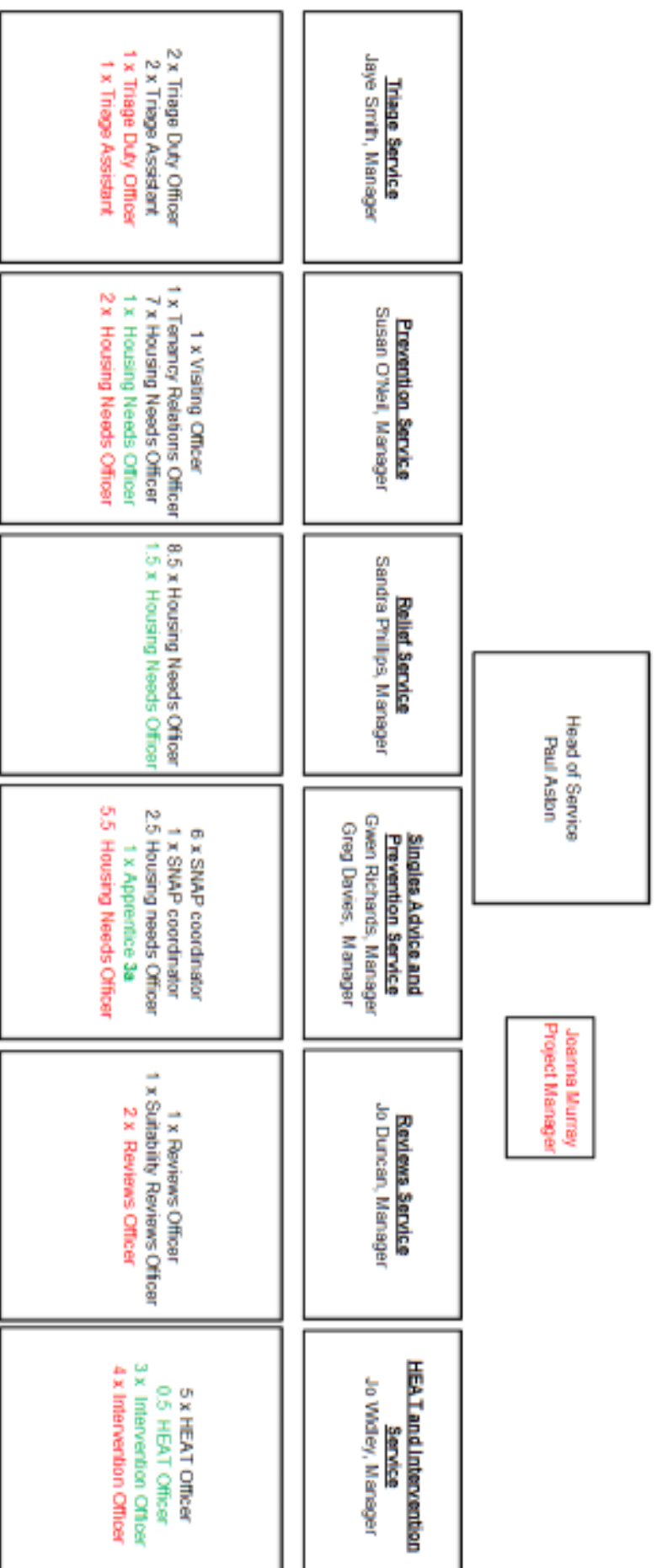
## Housing Needs Redesign

OUR PEOPLE



# Appendix 2

## Housing Needs staffing



**Key**  
 Black - Current complement  
 Green - Existing Tenancy  
 Red - New burdens/rowth

# Appendix 3

## Gateway and Welfare Model

