

## LONDON BOROUGH OF CROYDON

<b>REPORT:</b>	<b>CABINET</b>	
<b>DATE OF DECISION</b>	<b>15<sup>th</sup> July 2024</b>	
<b>REPORT TITLE:</b>	<b>Update on Housing Needs and Homelessness Transformation</b>	
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<b>LEAD MEMBER:</b>	Councillor Lynne Hale, Cabinet Member for Homes	
<b>KEY DECISION?</b>	<b>No</b>	<b>REASON: N/A</b>
<b>CONTAINS EXEMPT INFORMATION?</b>	<b>NO</b>	Public
<b>WARDS AFFECTED:</b>	N/A	

### 1 SUMMARY OF REPORT

- 1.1. This report provides a progress update on the transformation projects being delivered under Workstream 8: Managing Housing Needs, which sits within the wider Housing Transformation Programme agreed by Cabinet in December 2022
- 1.2. Since May 2022, the Executive Mayor has set out a programme of service improvement priorities to correct historic poor performance in parts of the Council. These priorities are shaped by the Executive Mayor’s Business Plan 2022.
- 1.3. With regards to housing, it committed the Council to driving up standards and develop a more responsive and effective housing service, one that fully engaged with and listens to tenants.
- 1.4. Improvements to the Council’s housing services have also been identified as one of three key priorities by the Secretary of State and are also a priority for the government-appointed Improvement & Assurance Panel in March 2023, as identified in their Exit Strategy.
- 1.5. A review of the Housing Needs & Homelessness Service was undertaken between September 2022 and September 2023 which identified fundamental and serious service failures which are now being addressed through this transformation workstream. The specific transformation projects are summarised in the table in section 5 of the report and greater detail is provided in section 6 of the report.

- 1.6. To date the following milestones had been realised through the delivery of the transformation projects:
- 1.6.1. Strategy
- A draft Homelessness and Rough Sleeping Strategy has been developed and fully consulted on which was approved by Cabinet in April 2023. This is due to be considered by Council on 17 July.
- 1.6.2. Housing Needs & Homelessness service restructure
- A new service operating model is in place with realigned staffing resources to provide a service that fully complies with the Homelessness Reduction Act 2017.
  - The waiting period for initial assessments by council staff following contact from residents at risk of homelessness has now reduced from six months to two months. The aspiration remains to assess 90% of the applications within 14 days
  - Applicants who are homeless and can't wait for an appointment are now seen on the day by an Officer in person.
  - Duty teams are in place across the service to respond to customers' telephone calls.
  - A daily duty manager is now present in Access Croydon to ensure timely decisions are made at the appropriate level regarding new placements into temporary accommodation
- 1.6.3. Cleared backlog
- A backlog of 2,267 homelessness assessments has been cleared. Of which 198 (9%) were placed in temporary accommodation.
  - A backlog of 2,700 temporary accommodation households (out of 3500) who did not have an active housing register application have been cleared and resolved. Now they have their register applications that are at last able to bid for available suitable social housing vacancies.
- 1.6.4. Managing demand
- Reduced temporary accommodation new placement rate from 60% to 25% resulting in cost avoidance of £13.5m a year (the current average net cost to the Council for every household in temporary accommodation is £8k a year).
  - Following the acceleration of the Home Office decision on asylum applications, a small team of housing officers worked directly with applicants in their hotel accommodation before eviction. This reduced the need for temporary accommodation.
- 1.6.5. Temporary accommodation
- 71% of temporary accommodation occupancy checks have been completed.
  - Implemented Phase 1 of the Approved Landlord List (formerly Dynamic Purchasing System (DPS)) for acquisition and management of nightly paid temporary accommodation.
- 1.6.6. Financial
- Collected additional income of £4.5m from unclaimed housing benefit that temporary accommodation residents were entitled to but did not claim because rent account & charges had not been set up for the properties that they occupied.
  - The service has continued to manage rising demand and delivered MTFs savings of £2.3m in 2023/24.
- 1.6.7. Data quality and cleansing

- Homelessness and temporary accommodation data has been cleansed, is significantly more reliable and stored in a core housing system NEC, which is updated and validated regularly.
- A comprehensive performance management framework is in place with targets based on an accurate and reliable data baseline.
- Accurate homeless case data was submitted in May 2024 to comply with the 'Homelessness Case Level Information Collection' (H-CLIC) returns requirement. Previous submissions were so inaccurate and understated the homelessness and temporary accommodation pressures. The timely submission of accurate data mitigates against the risk of up to 10% deduction of future funding by the government, as it is a condition for Homelessness Prevention Grant (HPG).

#### 1.6.8. Improving housing outcomes for care experienced young people

- Joint Housing & Children Social Services protocol for Care Experienced Young People approved by Cabinet in June 2023.
- A joint Housing & Children Social Services care leaver panel in place.
- Housing Officer co-located within the Multi-Agency Safeguarding Hub (MASH) to facilitate joint working and support safeguarding alerts.

#### 1.6.9. Partnership – relationship reset

- The service has started holding meetings with statutory and voluntary sector partners.
- Housing Association forum established and in place.
- Dedicated Housing Officer based in the hospital to support residents being discharged who are at risk of homelessness.

## **2 RECOMMENDATIONS**

- 2.1 For the reasons set out in the report and its appendix, Cabinet is recommended:
- 2.2 To note the progress to date of the delivery of the transformation projects within the Housing Needs and Homelessness division of the Housing directorate.

## **3 REASONS FOR RECOMMENDATIONS**

- 3.1 To update progress against the Mayor's Business Plan 2022.
- 3.2 To note progress being made to comply with the Homelessness Reduction Act 2017.
- 3.3 To improve the customer experience by providing a good and responsive service.
- 3.4 To effectively manage rising homelessness and temporary accommodation demand and related financial pressure.

## **4. BACKGROUND AND DETAILS**

- 4.1 The Housing Needs & Homelessness project was identified as a key workstream within the Housing Transformation Programme to address the fundamental service failures in Croydon’s housing service and ensure resources were put in the right places to fulfil the Council’s statutory obligations. These projects build on other work being done to embed early intervention and ensure services are joined up, holistic and person centric for residents.
- 4.2 This transformation work programme has taken place within the context of a national rise in homelessness and rough sleeping and far more so in London which is primarily being driven by structural changes within the private rented housing sector (PRS).
- 4.3 London Councils estimate that 1 in 50 Londoners are now homeless, including 1 in 23 children (one child per classroom on average). 57% of all temporary accommodation placements nationally are made by a London borough.
- 4.4 New private rented sector lets are down 41% compared to the pre-covid average (because tenants are staying longer in properties and landlords appear to be exiting the temporary accommodation market), and rents are now more than 20% higher.
- 4.5 Local Housing Allowance (LHA) rates have been frozen since 2020. New lettings which are affordable within LHA levels are increasingly rare. The uprating from April 2024 will provide a significant boost to affordability. However, the rising cost of temporary accommodation (TA) met by Councils’ remains unchanged as the LHA rate payable for temporary accommodation through the Housing Benefit Subsidy system is capped at **90% of 2011** LHA rate which does not cover the total cost of temporary accommodation.
- 4.6 Councils are increasingly unable to procure or even retain suitable accommodation for homeless households. This is causing a surge in households living in bed and breakfast (B&B) accommodation – including for longer than six weeks which is the statutory limit.
- 4.7 With fewer properties available, and fewer affordable within the LHA rates, there is a growing shortage of accommodation and significantly increased demand for support for Housing Need and Homelessness services. The reduction in supply has particularly impacted at the lower/cheaper end of the market where councils typically operate.

**5. SUMMARY OF THE TRANSFORMATION PROJECTS.**

**Table 1: Summary of the pre-2023 and current position**

Pre 2023 position	Current position
<b>5.1. Homelessness and Rough Sleeping Strategy</b>	
Croydon last produced a Homelessness and Rough Sleeping Strategy for the period 2019-22.	The Council sought and obtained agreement with DLUHC to produce a new Strategy by the spring of 2024.  A new strategy has been developed and agreed by Cabinet pending Full Council approval.

	Adopting the strategy will ensure the Council complies with statutory requirements and does not act unlawfully. It will also give the Housing Service a framework within which to operate and take decisions on housing duty and allocations. Without such a policy the council is at significant risk of legal challenge on these decisions.
<b>Pre 2023 position</b>	<b>Current position</b>
<b>5.2. Housing Needs &amp; Homelessness Service restructure and customer experience</b>	
Service was not complying with the <b>Homelessness Reduction Act 2017</b> .	In late Sept 2023, a new structure with realigned resources was implemented. This ensured existing and new teams could effectively respond to demand and meet the council's statutory obligations.
<p>Prior to August 2022, <b>the telephony system</b> in place simply referred residents to the Council's website and then automatically terminated the calls. There was no personal contact.</p> <p>From August 2022, as a first stage improvement, the service was mainly provided through telephone contact with very limited in-person assessments with customers.</p>	<p>In line with the duties set out in the Homelessness Reduction Act 2017 which requires a thorough housing assessment to be undertaken and a personalised plan of the steps that will be taken to prevent or relieve homelessness agreed with the applicant, the new service requires all initial assessments with customers to be done face-to-face.</p> <p>The mode of follow up contact can be agreed with the customer to take account of vulnerability and any complex needs.</p> <p>Duty teams are in place across the service to respond to customers' telephone calls.</p>
<p>Significant case backlogs were identified as part of the restructure of the service:</p> <ul style="list-style-type: none"> <li>• 2,267 homelessness assessments were outstanding for many months leaving residents unclear about their housing situation.</li> <li>• 2700 of the 3,500 households in temporary accommodation without an active council housing register account leaving households staying longer in temporary accommodation and unable to secure available council or Housing Association properties.</li> </ul>	<p>Homelessness assessment backlog cleared.</p> <p>Housing register accounts backlog cleared enabling temporary accommodation residents to take an active role in moving out of temporary accommodation by securing a council or Housing Association property</p>
<b>Front of house review - no systematic arrangements in place to manage the</b>	Changes are being made to make best of use of the current space in Access Croydon and

different queues of residents presenting at Access Croydon.	<p>improve the environment for customers, provide information while waiting to be seen and encourage joint working between services.</p> <p>There is a duty manager presence in Access Croydon as part of the new service arrangements to support officers and customers, manage any conflicts that may arise and ensure the service effectively responds to the needs of customers who present on the day.</p>
<b>Pre 2023 position</b>	<b>Current position</b>
<b>5.3. Website review</b>	
The website structure does not support easy navigation to find information and some of the content is out of date.	Work is underway to make the website easily accessible with quick links to specific information required by the resident.
<b>5.4. Managing demand</b>	
No controls in place to manage demand, with authorisation of new placements made by managers without budget awareness or accountability. In addition, there was an unusually high amount of decisions being made on discretionary grounds on accepting placements.	<p>Controls are in place in line with financial scheme of delegation to ensure a decision regarding placement into temporary accommodation is made at the right level and to ensure it is based on a robust application of the statutory threshold.</p> <p>This has reduced temporary accommodation new placement rate from 60% to 25%.</p>
<b>5.5. Approved Landlord List (formerly Dynamic Purchasing System (DPS))</b>	
The council entered into rental arrangements with individual providers or landlords of nightly paid temporary accommodation without any formal contract in place. This exposed the council to legal and financial risks.	<p>Implementing an overarching Approved Landlord List with approved landlords and formalises arrangements, ensures transparency, allows the Council to obtain best value and ensure legal and statutory compliance.</p> <p>A new IT database, ADAM, has also been introduced to manage the application process, and the accreditation process, property rentals and contract management of approved landlords.</p>
<b>Pre 2023 position</b>	<b>Current position</b>
<b>5.6. Temporary accommodation (TA) occupancy checks</b>	
Croydon had significantly higher numbers of households living in temporary accommodation (3,219 at the time) than was previously reported	Visit to all residents in temporary accommodation are carried out to establish temporary accommodation usage and to ensure the information held by the Council is

<p>through government returns (approx. 2,000). This appears to have been due to the poor data management and record keeping practices.</p> <p>There had been minimal to no contact with the TA households, and it was estimated about 500 of the households had been in temporary accommodation for more than five years.</p> <p>There was a need to establish the true level of temporary accommodation usage and carry out welfare checks.</p>	<p>accurate so that the right support is provided to the households.</p> <p>During the visits, occupancy is confirmed, welfare status checked, any change in circumstances identified and condition of the accommodation is checked. Follow up work is undertaken where issues are identified.</p>
<p><b>Pre 2023 position</b></p>	<p><b>Current position</b></p>
<p><b>5.7. Supported housing review</b></p>	
<p>The service commissioned a number of supported housing contracts at a cost of £2.5m a year providing circa 313 bedspaces and floating support. Most of the contracts had expired and had been repeatedly extended outside of any formal procurement. There was no contract monitoring undertaken to assess quality of outcomes and value for money.</p>	<p>Homeless Link (a national homeless charity) was appointed to carry out a full review of existing services and support the service to tender new contracts informed by the outcome of the review.</p> <p>The review is expected to identify current and emerging need for supported housing and opportunities for improved contract outcomes.</p> <p>Review will be completed by the end of July 2024 and new contracts will be in place in 2025.</p>
<p><b>Pre 2023 position</b></p>	<p><b>Current position</b></p>
<p><b>5.8. Data quality and cleansing</b></p>	
<p>The Housing Department's I.T system, OHMS was put in place in the 1990s. It had not kept pace with the needs of the service, nor had it been adapted since implemented. OHMS ceased to be supported and other bespoke systems were developed causing greater difficulty in reconciling end to end demand activity and budgetary understanding control.</p>	<p>The successful implementation of NEC Housing system since June 2023 has been a significant operation and integral to the new ways of working. Data has been cleansed allowing the full adoption of the system. The housing application process is now fully automated enabling storage of all data in one place and accessible to appropriate staff to support service provision.</p>
<p>As a result, the council financially supported homeless families, whilst excluding them from official numbers of homeless households in temporary accommodation. This made the narrative unclear around the reasons for increased spend within the Housing</p>	<p>Following the data cleanse, we have identified that there are ~3,500 households living in temporary accommodation. This is 1,500 more than was previously reported through government returns (approx. 2,000).</p>

<p>General Fund and left members in the dark on what the true position of homelessness was in the borough.</p> <p>The accuracy and quality of data was compromised and has resulted in the GLA, London Councils and DHLUC querying returns retrospectively.</p>	<p>Reliable and publishable homeless cases data was submitted to government in May 2024 to comply with the 'Homelessness Case Level Information Collection' (H-CLIC) returns requirement. Previous submissions were so inaccurate and understated the homelessness and temporary accommodation pressures. The timely submission of accurate data mitigates against the risk of up to 10% deduction of future funding by the government, as it is a condition for Homelessness Prevention Grant (HPG). Following discussion with Department of Levelling Up, Housing &amp; Communities during the data submission, the temporary accommodation data will be published in the next quarterly submission once the occupancy checks are completed. As part of the data cleansing work a number of households living in temporary accommodation without a corresponding rent account were identified. This meant that rent had not been charged and therefore, no income was being collected. Working with the Housing Benefit Team, the teams set up the missing rent accounts and reassessed the housing benefit claims, resulting in the collection of additional income of <b>£4.5m</b> in 2023/24 through eligible Housing Benefit.</p>
<p>Budget setting was disconnected from service activity levels.</p>	<p>Activity data is now proactively monitored which will support budget setting and monitoring.</p>
<p>The targets set for the few KPIs reported were not based on a reliable data or baseline.</p>	<p>Existing KPIs targets have been reviewed and new KPIs developed based on a reliable and comparable baseline data.</p>
<p><b>Pre 2023 position</b></p>	<p><b>Current position</b></p>
<p><b>5.9. Improving housing outcome for care experienced young people (CEYP)</b></p>	
<p>Corporate parent responsibility was not fulfilled as approx. 350 care experienced young people were placed in temporary accommodation without a housing need assessment or move-on plan.</p>	<p>A joint Housing &amp; Children Social Services protocol approved by Cabinet, committed to the Council's corporate parent responsibilities. This is being implemented to address the housing and support needs of the CEYP in temporary accommodation.</p> <p>A joint panel is in place and reviewing each individual young person circumstance to agree the appropriate transition plan to enable a move out of temporary</p>



	accommodation into supported or independent living.
<b>Pre 2023 position</b>	<b>Current position</b>
<b>5.10. Partnership</b>	
For a number of years, the service relationship with key statutory and voluntary sector partners was based on personal professional relationships.	Feedback received during the consultation on the draft Homelessness & Rough Sleeping strategy 2024-2029 highlighted the need to reset the relationship and establish a formal mechanism for engagement.
No dialogue with Housing Association partners.	Meaningful dialogue and some service improvement work has started involving a number of partners in recent months which will be continued.
	Housing Association Forum has been established.

## 6. DETAIL INFORMATION ON THE TRANSFORMATION PROJECTS

### 6.1 Homelessness and Rough Sleeping Strategy

The Homeless Act 2002 places an overriding statutory duty on all housing authorities to review homelessness trends in their area on an at least 5 yearly basis and produce an overriding strategic homeless strategy which reflects the results of that review.

Additionally in 2018 Government published its Rough Sleeping Strategy, which requires Councils to update their Homelessness and Rough Sleeping strategies to include a focus on rough sleeping.

The Council's Homelessness & Rough Sleeping Strategy covered the period 2019 – 2022 and is currently out of date. In consultation with the Department of Levelling Up, Housing and Communities (DLUHC), it was agreed to delay the development of the new Strategy on the basis that it was produced by Spring 2024.

The draft strategy approved at Cabinet in April 2024 and awaiting final approval at Full Council, reflects the latest trends in homelessness, follows best practice and is compliant with current legislation. This new strategy builds on existing work to embed early intervention and delivery of services that are joined up, holistic and person centric.

To ensure the Council complies with statutory requirements and given the significant and fast-moving changes in the local housing market and the increase in levels of homelessness and rough sleeping, it is imperative for the Council to adopt a new Homelessness and Rough Sleeping Strategy.

Following engagement with service users, third sector partners and community and voluntary organisations, the Strategy has identified six themes which aligns with the transformation projects set out in this report.

## 6.2 Housing Needs & Homelessness Service restructure and customer experience

A review of the structure identified that it was not fit for purpose because the staffing resources were not aligned to respond to the new requirements of the changes brought about by the Homelessness Reduction Act 2017. The Act represented a significant shift in housing and homelessness legislation, placing a greater emphasis on preventing and relieving homelessness, regardless of a person's priority need status.

In summary:

- There was limited face-to-face customer interface – homelessness advice was mainly conducted via a telephone appointment and those who were homeless on the day, had very little direct contact with Officers. Placements into temporary accommodation were handled by phone.
- Poor customer experience – long waiting time for appointments with the earliest offered 6 months away resulting in a long-standing backlog of 2,267 applications, leaving customers unclear about their housing options. In addition, there was several entry points into the service and case hand-offs which made the housing process confusing for customers.
- Low homelessness prevention outcomes - benchmarking of performance against other London boroughs placed the council in the bottom quartile.
- High rate of new placements into temporary accommodation – a combination of carrying out telephone assessments that were not robust and lack of effective controls in authorising new placements resulted in a high placement rate of 60% compared to London average placement rate of 40%.
- Households were spending long periods of time in temporary accommodation without any contact, move-on plan or support.
- Acquisition of temporary accommodation supply to meet demand was bolted onto officers' duties which limited the service's ability to respond to the changing market conditions and influence/challenge other boroughs placing their residents into Croydon.
- There was duplication of roles and inadequate management capacity to support front line staff.

The Housing Needs restructure was designed to address the issues identified above and was implemented in September 2023. The restructure was ambitious and sought to create a service which is understood (transparent), fair and accessible. Residents were to be positively encouraged to be active participants in their journey towards finding a settled home or supported to remain in their current home.

The new streamlined service created two clearly defined operational areas, Homelessness & Allocations and Temporary Accommodation & Support, each with a head of service and delivery teams. A new Director of Homelessness Prevention and Accommodation was also created that would report directly into the Corporate Director of Housing.

This new structure separated the housing needs assessment function, which covers support for residents who need housing advice, homeless & housing register services, to the housing management function, which supports residents in temporary accommodation to live in safe temporary accommodation and move out into settled accommodation.

The Homelessness Reduction Act 2017 requires a thorough assessment to be undertaken and a personalised plan of the steps that will be taken to prevent or relieve homelessness agreed with the applicant. The new service requires all initial assessments with customers to be done face-to-face. The follow up mode of contact can be agreed with the customer to take account of vulnerability and any complex needs.

Prior to August 2022, the telephony system in place simply referred residents to the council's website which was difficult to navigate and contained out of date information, and then automatically terminated the calls. All telephone calls are now referred directly to duty teams within the service to answer and deal with the queries. More work is being done to manage the volume of calls received which was linked to the level of case backlogs referred to below.

There is more capacity created in the new structure with new specialist teams focusing on procuring settled and temporary accommodation as well as supporting households to move out of temporary accommodation.

The structure also significantly reduced direct reports to the Heads of Service by reducing operational teams from 7 to 5. In addition, 10 new team leader roles within these operational teams were created to manage work areas and provide better support to front line staff.

This new management structure provides clearer lines of reporting and resilience in the service with senior leaders responsible for their work areas but working alongside other operational teams to ensure effective service delivery.

Following implementation of the new structure and to proactively strengthen our 'one team' culture, change management sessions are being delivered to support the changes and establish standards in the way we work.

- (i) Team building sessions through bi-monthly 'all staff' engagement events which has brought the team together and are positively adapting to the changes. These sessions are used to share information on the service' successes & challenges and encourage collaboration.
- (ii) Training and professionalisation of the service - a training programme for all staff in the division has been developed and delivery has started. It is expected to deliver a highly skilled workforce who can deal with the demands of the service. As part of the professionalisation of housing staff, every officer, through their yearly appraisals and monthly 121's, will have documented continual professional development (CPD) on their work record.

A review of the new structure was completed in May 2024 and concluded that the new structure is agile and meets current & future needs of residents, officers within the service and the council as a whole. The new teams that have been created are sufficiently resourced to meet with current and future growth.

### ***Case backlogs***

Significant case backlogs were identified as part the restructure. At the date, the new service went live 2,267 homelessness assessments were outstanding. As a result, a temporary backlog team was created to deal with these applications as the staff were adjusting to the new ways of working. This backlog was cleared in June 2024.

In addition, approx. 2,700 of the 3,500 households in temporary accommodation did not have an active Council housing register account. This is required to enable a customer to bid for available suitable social housing vacancies which are advertised through the choice-based lettings system. The housing register account backlog was also cleared in June 2024, which means that all households in temporary accommodation can now actively participate in securing alternative settled accommodation.

The level of backlogs was impeding progress and generating a high level of complaints, enquiries and visits to Access Croydon. The much-anticipated positive outcomes of the reorganisation were affected by this and other challenges including recruitment to key posts.

### **6.3 Front of House review**

Access Croydon receives approximately 500 visitors per week and 90% of these visitors are for the Housing Needs service & Homelessness with Adults & Children Services the remaining 10%.

Work is being undertaken to make best use of the current space and this includes:

- Increasing desk space behind the main interview desks to allow officers to remain in the reception area when not seeing customers. This will enable officers from different departments to sit together and confer on casework decisions where joint assessments are being made.
- Review the appointment booking in system and look to introduce qmatic or a similar product.
- Make best use of TV and play equipment to help & support parents who bring in young children
- Review customer self-service and explore where IT provision should be provided if a customer has to complete a housing online application (and it is reasonable for them to do this based on their presenting needs). Currently, a light touch triage function is carried out by Customer Service to support applicants to make online applications if applicable.

There is a duty manager presence in Access Croydon as part of the new service arrangements to support officers and customers, manage any conflicts that may arise and ensure the service effectively responds to the needs of customers who present on the day.

The changes to the physical space will be completed by August 2024

### **6.4 Website review**

The structure of the website does not support easy navigation to find information and some of the content is out of date.

To manage expectations, it is important that the website has clear and up-to-date information regarding what service can be provided and also what cannot and what residents can do to support themselves

Work is underway to make the website easily accessible with quick links to helpful information based on the housing situation of the customer:

- review of content and key messaging
- a re-write of service landing pages to ensure practical information is presented in a way that is easy to understand.
- clear signposting from the council's home page to the most visited service pages and this will include housing register applications & housing advice services.
- up to date information on commonly asked questions which will include waiting list times for an offer permanent accommodation, housing advice services and potential outcomes, temporary accommodation queries and signposting to third party support organisations.

It is anticipated that the website will be updated by September 2024.

## **6.5 Managing homelessness demand and temporary accommodation**

### **(a) New temporary accommodation placements**

As stated above, prior to the new structure the service was not working in a way that fully complied with the Homelessness Reduction Act 2017 as 99% of the assessments were done on the phone which meant that it was not thorough, personalised housing plans were not developed or agreed with customers so that they are clear about what support the Council would provide and what action they had to undertake to resolve their housing need.

This meant that the main response from the service was to place households in temporary accommodation with no follow up or support. As a result, 60% of all homeless approaches were placed into temporary accommodation. Meaning that for every 100 new homeless applications, 60 of those would be placed into temporary accommodation (TA).

The current rate of new placement is 25% or 25 placements per 100 households by changing the way the work, carrying out thorough assessments, agreeing a personalised housing plan with customers which sets out the steps they can take to resolve their housing need with support from the Council and robust application of the legislation.

The table below shows the actual placements from October 2023 when the new ways of working was implemented. It compares them to the placements that would have been made prior to the restructure and the associated cost avoidance.

The current average cost to the council for every TA placement is circa £8,000 per year. This is derived from the cost's payable to the landlord minus the rental income that can be charged to the tenant (the rent shortfall).

	<b>Oct 23 – Mar 24</b>
Actual TA new placements	604
If TA placements remained at 60%	1449
TA placement reduced	845
Total cost avoidance (6 months)	£6,764,800
Total cost avoidance (pro-rata for 12 months)	£13,529,600

**(b) Eviction from Home Office accommodation**

Asylum seekers are housed in Home Office accommodation while their claim is assessed. If they are successful, they become recognised as refugees - entitled to work and receive state benefits but they also lose their right to stay in Home Office accommodation.

From August 2023 the Home Office accelerated their decision making for asylum claims, giving those recognised as refugees short notice periods to leave the accommodation and find a new place to live (generally within 7 days). From that point on, councils look after their housing, if the refugees are unable to.

At the beginning of 2024, the council created an outreach team of dedicated housing staff to support the refugees while they were still in the hotels and so avoiding visits to Access Croydon, reducing the necessity for temporary accommodation. They carried out their housing assessments and offered them support to find alternative accommodation before the eviction. They also made referrals to services within the voluntary sector for integration support on behalf of the refugees to help them settle within the communities.

The team supported 39 refugees (23 families and 16 single households): 43% were placed in temporary accommodation and 57% were either housed in supported accommodation, private rented sector accommodation or made their own arrangements.

**(c) Performance benchmark**

The table below provides data on homelessness demand and the number of households in temporary accommodation. We have used data from the 12 London boroughs with the highest number of households in temporary accommodation. For performance benchmarking purposes, it is useful to use the measure in the column headed '*Temporary accommodation per 1000 households*' instead of the actual numbers as it is a better representation of performance based on the population in the area.

For Croydon, it means that for every 1,000 households in the borough, 21 are homeless and living in TA. This places us in 10<sup>th</sup> position as at end of December 2023 based on accurate revised data (not previously under-reported data). However, Croydon also received the highest number of applications for the same period which means that that demand is being well managed.

	London borough	Total number of households in temporary accommodation	Temporary Accommodation per 1000 households	Initial case assessments (demand) Oct – Dec 2023*
1	Newham	6269	53	756
2	Southwark	3714	27	731
3	Redbridge	2993	27	428
4	Hackney	3169	26	732
5	Westminster	3132	25	770
6	Wandsworth	3368	24	940
7	Enfield	3126	24	572
8	Haringey	2579	23	918
9	Ealing	2770	22	892
<b>10</b>	<b>Croydon</b>	<b>3259</b>	<b>21</b>	<b>1007</b>
11	Lewisham	2715	20	597
12	Tower Hamlets	2815	20	821

\* latest published homelessness & temporary accommodation data

## 6.6 Approved Landlord List (formerly Dynamic Purchasing System)

About 45% of the temporary accommodation portfolio used has been acquired on a nightly paid basis. The Council did not have a contract in place with current landlords which provide for legal/contractual recourse in the event that there is an issue with a landlord/property. This opens the Council to legal and financial risks.

The implementation of the Approved Landlord List (formerly Dynamic Purchasing System) had been considered as an approach to address the contractual risks for a number of years, but this was not taken forward.

This has now been developed and moving to an overarching Approved Landlord List with approved landlords will formalise arrangements, ensure transparency, allow the Council to obtain best value and ensure legal and statutory compliance.

The outcomes from the introduction of the Approved Landlord List are:

- a bank of quality assured landlords
- a clear choice of approved landlords,
- best 'market value' in terms of cost and quality of the property,
- improved business compliance processes for both the Council and landlords
- System in place to manage the recording of information and an audit trail.

A new IT database, ADAM, is also being introduced to manage the application process, property rentals and contract management of approved landlords. This will mean:

- That all landlords will have full risk management procedures in place with documents such as the contractual booking agreement, relevant insurances, fire risk assessments and other required documents all being stored in one place.
- Robust contracts will be in place with the approved landlords that sets out the requirements of the Council and the obligations of the landlord
- Contractually ensuring that documents are provided as required, and provision of temporary accommodation is fully compliant with the Council's requirements, and

subject to reasonable additions, in line with best practice for the management and delivery of temporary accommodation.

- Improved performance measures are regularly discussed with documented feedback as required.
- A transparent method of showing availability and the cost of accommodation, with a fully auditable means of reconciling any issues.

ADAM software is now being used by more London councils, as boroughs have to use & manage more nightly paid accommodation agents to meet increased homelessness demand for accommodation.

The project has been implemented in two phases. In the first phase all existing providers (65 landlords and agents) were onboarded onto the system. Phase 2 allows new providers to join the framework and goes live by the end of July 2024.

## **6.7 Supported Housing Review**

The service) currently commissions a number of supported housing contracts at a cost of £2.5m per year. The services provide circa 313 bed spaces across various accommodation types. There are additional floating support contracts for victims of domestic abuse, young people and a rough sleeping outreach contract. Most of the contracts had expired and there was no contract monitoring undertaken to assess quality of outcomes and value for money.

The Council has appointed Homeless Link, a national homeless charity, to carry out a full review of existing services & support in the retendering of new contracts. The contract was awarded to Homeless Link after a competitive tender. The review which will be completed by end of July 2024 will:

- Assess whether the current services offer the right types of accommodation & floating support which meet current and emerging need of homeless people in the borough
- Assess the quality of outcomes and value for money of these services.

To minimise unintended consequences on recommissioning decisions, the review includes Children, Adult Services and Family Justice Centre. The new tender process will involve refreshing and updating specifications. The new contracts will be commissioned in 2025.

## **6.8 Temporary Accommodation occupancy checks**

Croydon had significantly higher numbers of households living in temporary accommodation (circa 3,500) than was previously reported through government returns (approx. 2,000). Occupancy or welfare checks had not been carried out for a number of years, with residents not being supported to move out of temporary accommodation into settled accommodation.

This project was set up to visit 3,219 (occupied properties at the time) residents in temporary accommodation based on the data at the time to confirm occupancy, review the household composition and check the standard of the accommodation. It has also



enabled the Council to have up to date information on the households to ensure the right support is provided.

To date, 2367 (73%) addresses have been visited:

- Confirmed occupancy with 2,218 households. Of those confirmed:
  - 345 households had a change in their family composition (15%)
  - 127 properties had disrepair issues which is being followed with the providers (6%)
  - 67 households required well-being support/safeguarding (3%)
- 149 households have not engaged despite 2/3 visits – the project team is reviewing these cases.

852 (26%) addresses still to be visited and will be completed by the end of July 2024.

## **6.9 Data quality and cleansing**

The Housing Department's I.T system, OHMS was put in place in the 1990s. It had not kept pace with the needs of the service, nor had it been adapted since implemented. OHMS ceased to be supported and other bespoke systems were developed causing greater difficulty in reconciling end to end demand activity and budgetary understanding control.

The successful implementation of NEC Housing system since June 2023 has been a significant operation and integral to the new ways of working. Data has been cleansed allowing the full adoption of the system. The housing application process is now fully automated enabling storage of all data in one place and accessible to appropriate staff to support service provision.

Following the data cleanse, we have identified that there are 3,500 households living in temporary accommodation than was previously reported through government returns (approx. 2,000).

The accuracy and quality of data was compromised and has resulted in the GLA, Councils and DHLUC querying returns retrospectively.

The accuracy and quality of data was compromised and has resulted in the GLA, London Councils and DHLUC querying returns retrospectively.

Reliable and publishable homeless cases data was submitted to government in May 2024 to comply with the 'Homelessness Case Level Information Collection' (H-CLIC) returns requirement. Previous submissions were so inaccurate and understated the homelessness and temporary accommodation pressures. The timely submission of accurate data mitigates against the risk of up to 10% deduction of future funding by the government, as it is a condition for Homelessness Prevention Grant (HPG).

Following discussion with Department of Levelling Up, Housing & Communities during the data submission, the temporary accommodation data will be published in the next quarterly submission once the occupancy checks are completed

As part of the data cleansing work a number of households living in temporary accommodation without a corresponding rent account were identified. This meant that rent had not been charged and therefore, no income was being collected. Working

with the Housing Benefit Team, the teams set up the missing rent accounts and reassessed the housing benefit claims, resulting in the collection of additional income of **£4.5m** in 2023/24 through eligible Housing Benefit.

Activity data is now proactively monitored which will support budget setting and monitoring.

Existing KPIs targets have been reviewed and new KPIs developed based on a reliable and comparable baseline data.

## **6.10 Improving housing options for Care Experienced Young People (CEYP).**

As a corporate parent, the Council must ensure that children in care are appropriately prepared and supported to live independently and do not find themselves unnecessarily homeless and living in temporary accommodation when they reach adulthood (18+). There are 350 care experienced young people living in temporary accommodation without a move-on or support plan.

A joint Housing and Children's Social Services protocol was approved by Cabinet in June 2023, which underpinned a new way of working to improve outcomes for young people.

Following the approval of the protocol, a housing need assessment of the care experienced young people living in temporary accommodation was started as they did not previously have a housing application linked to the temporary accommodation placement. This meant that they could not claim the correct housing benefit subsidy to help with their rent. The teams are resolving this backlog of assessments to ensure the right housing benefit subsidy is claimed for the accommodation to reduce rent arrears.

### ***Care Leavers Panel***

A joint Housing and Children Social Care Panel has been set up to review the housing needs of each young person currently living in temporary accommodation. The panel is jointly chaired by both services and meets every two weeks. The Panel jointly agrees the young person's housing options so that they are supported to transition into independent living.

We are working with Children Social Services to develop a range of housing options to meet the needs of Croydon's Care Experienced young people

### ***MASH caseworker & 16/17-year-old homelessness assessments***

The Housing Needs & Homelessness Service has also recently placed a housing adviser in the Multi-Agency Safeguarding Hub (MASH) to facilitate & promote joint working between Housing and Children's Social Services. The officer has been in post since the beginning of May 2024 and provides a point of contact to review & support safeguarding alerts, link up relevant officers in Housing & Children's and provide a quick conduit between services. The officer has physically moved to the MASH in

order to provide a highly visible contact point. The officer is also responsible for the joint assessments of 16/17 year old who may be at risk of homelessness so that a timely joint decision can be reached on the support given to this highly vulnerable age group.

### **6.11 Partnership relationship reset.**

For a number of years, the service relationship with partners has been based on personal professional relationships.

The draft Homelessness & Rough Sleeping strategy 2024-2029 makes it clear that preventing homelessness is everyone's priority. The consultation and feedback from key statutory and voluntary sector partners highlighted the pressing need to reset the relationship with the partners and formalise mechanism for engagement as part of the delivery of the strategy.

A number of meetings have been held with statutory and voluntary sector partners in recent months including Family Justice Centre, Evolve Housing Association, St Mungo's Housing Association, Crisis Skylight, Nightwatch, South Norwood Community Kitchen; South London and Maudsley Hospital Trust, South-West London Law Centre and the Police. This work has only just begun and will continue.

#### ***Hospital discharge caseworker***

A caseworker works from Croydon University Hospital to facilitate safe and supported transitions for patients in the hospital who may be threatened with homelessness or are homeless. The officer works closely with healthcare professionals, social workers, housing providers, and patients to ensure seamless transitions from hospital settings to stable housing and work with the patients to prevent homelessness, where possible.

#### ***Review of the housing online form***

A review of the housing online form is being carried out with input from Crisis and St Mungos (both are specialist charities who support vulnerable single adults).

A number of online and face-to-face sessions have been held, resulting in changes made to the form, including removing some mandatory fields, clearer signposting and simplifying the language used to make the form more accessible to all residents.

Although some immediate changes have already taken place, further development of the system is required.

#### ***Housing Association Liaison and Nominations***

Over the past few years, the demand for affordable housing has risen significantly and councils have struggled to provide enough new housing both directly and through Housing Associations and this is the case in Croydon too.

The lack of regular discussions with this sector has stalled strategic discussions important for determining future housing supply.

As part of resetting of the Council's relationship with key partners, this project focuses on improving the relationship with Housing Associations in the borough to maximise access to accommodation supply through nomination agreements

Currently 60 housing associations have properties in Croydon. The five largest with a stock of over 1,000 are listed below:

<b>Housing Association</b>	<b>Stock numbers</b>
Southern Housing	3708
London and Quadrant	2313
Hyde	1536
Wandle	1305
Croydon Churches	1212

Overall, there are 29,852 social units in Croydon with 24,092 being general needs self-contained units. Croydon owned stock represents 45% of this total stock (13,454).

Housing Association Forum has been established and three meetings held in recent months. The forum is working on the review of the nominations agreement and tackling rough sleeping.

In addition, a Housing Association Lead Officer has returned to their substantive post to focus on improving our relationship with Housing Associations.

## **7. ALTERNATIVE OPTIONS CONSIDERED**

7.1 N/A

## **8. CONSULTATION**

8.1 No consultation required.

## **9. CONTRIBUTION TO EXECUTIVE MAYOR'S BUSINESS PLAN**

The Housing Needs & Homelessness Service transformation projects is key to ensuring the Council delivers against the Mayor's priorities to "Drive up standards and develop a responsive and effective housing service" and "Develop our workforce to deliver in a manner that respects the diversity of our communities."

## **10. IMPLICATIONS**

### **10.1 FINANCIAL IMPLICATIONS**

- 10.1.1** The Housing Needs and Homelessness Transformation Projects have resulted in financial benefits and the realisation of the savings target set in 2023-24.
- 10.1.2** The Homelessness and Rough Sleeping Strategy sets out the priorities of the Housing Needs services across 2024-2029. It ensures that the Council complies with its statutory requirements through cost-effective means. An approved Strategy is a statutory requirement failure to have this would put the Council in a compromised position with the future Government and could impact on the associated funding.
- 10.1.3** The implementation of the Housing Needs & Homelessness Service restructure has successfully delivered improved customer experience, clearance of assessment backlog and effective demand management. The demand management is crucial in controlling the costs within temporary accommodation budget which is under significant strain.
- 10.1.4** The Supported housing contracts review is ongoing the financial impact of new contracts will not be evident until 2025. The improvement in data quality resulted in additional income of £4.5m in 2023-24. While it is not expected to generate any further income benefits it is an essential ongoing work stream to ensure that the data reported to the Department of Levelling Up, Housing & Communities is compliant and the grant awarded is not at risk.
- 10.1.5** All financial savings are being tracked through the monthly monitoring and forecasting which is reported to Cabinet through the period monitoring update reports.

Comments approved by Orlagh Guarnori, on behalf of Director of Finance (Deputy s151 Officer), 03/07/24

## **10.2 LEGAL IMPLICATIONS**

- 10.2.1** Part 7 of the Housing Act 1996 underpins the statutory measures to prevent homelessness and provides assistance to people who are threatened with or become homeless.
- 10.2.2** The Homelessness Reduction Act 2017 requires local authorities to intervene at an earlier stage and take reasonable steps to prevent homelessness (to those threatened with homeless within 56 days) and/ or relieve homelessness (through sustaining or securing accommodation) for eligible applicants who become homeless or are threatened with homelessness.
- 10.2.3** In 2002, the government amended the homelessness legislation through the Homelessness Act 2002 and the Homelessness (Priority Need for Accommodation) (England) Order 2002 for local authorities to:
- (a) ensure a more strategic approach to tackling and preventing homelessness, by requiring a homelessness strategy for every housing authority district; and

(b) strengthen the assistance available to people who are homeless or threatened with homelessness by extending the priority need categories to homeless 16 and 17 year olds; care leavers aged 18, 19 and 20; and people who are vulnerable because they have fled their home because of violence.

**10.2.3** Section 1 of the 2002 Act (“Duty of local housing authority to formulate a homelessness strategy”) provides that a local housing authority may from time to time carry out a homelessness review for their district and formulate and publish a homelessness strategy based on the results of that review. The authority must exercise that power so as to ensure that a new homelessness strategy for their district is published within 5 years of the date of publication of their last homelessness strategy.

**10.2.4** The Equality Act 2010 provides that local authorities must ensure that policies and decisions relating to homelessness are lawful and also comply with the public sector equality duty. This is also reference at 1.11 of the Homelessness Code of Guidance.

**10.2.5** The update facilitates the discharge of the obligations set out in Paragraphs 10.2.1, 10.2.2, 10.2.3 and 10.2.4.

Comments approved by the Head of Commercial, Housing & Litigation Law on behalf of the Director of Legal Services and Monitoring Officer. (Date 03/07/2024)

### **10.3 EQUALITIES IMPLICATIONS**

**10.3.1** The Council has a statutory duty to comply with the provisions set out in Section 149, Equality Act 2010. The Council must therefore have due regard to:

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act.

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The protected characteristics defined by law are race and ethnicity, disability, sex, gender reassignment, age, sexual orientation, pregnancy and maternity, religion or belief, marriage and civil partnership.

Comments approved by Ken Orlukwu, Senior Equalities Officer, on behalf of Helen Reeves, Head of Strategy & Policy on 25/06/2024.

## **11 APPENDICES**

*Appendix 1 - Housing Needs & Homelessness Transformation Projects*

## **12 BACKGROUND DOCUMENTS**

N/A

## APPENDIX ONE

Table 1 – Housing Needs & Homelessness Transformation Projects and links to the priorities in the draft Homelessness and Rough Sleeping Strategy.

Project aligned against Priority in Homelessness and Rough Sleeping Strategy	Priority 1 - Listen to our residents and provide good and responsive services	Priority 2 - Act at the earliest stage to prevent homelessness from occurring	Priority 3 - Reduce the reliance on the use of temporary accommodation	Priority 4 - Reduce the numbers of people who are Rough Sleeping in Croydon	Priority 5 - Managing stock and facilitating affordable, private rented and social housing	Priority 6: Partnership - reset the relationship with Voluntary and Statutory Partners
Housing Needs Restructure	✓	✓	✓	✓	✓	✓
Supported Housing Review			✓	✓		✓
Dynamic Purchasing System/ Approved Landlord List (contract compliance)			✓			
Housing Association Liaison & Nominations					✓	✓
Temporary Accommodation Occupancy checks			✓			
Demand Management	✓	✓	✓	✓		
Front of House review	✓					
Website review	✓	✓				
Improving housing options for care experienced young people	✓	✓	✓			
Data quality and cleansing	✓	✓	✓	✓	✓	
Partnership	✓	✓	✓	✓	✓	✓



