

OVERVIEW & SCRUTINY BOARD - 27th February 2012

HOMELESSNESS GRANT 2012/13

Relevant Portfolio Holder	Councillor Kit Taylor
Portfolio Holder Consulted	Yes
Relevant Head of Service	Angie Heighway
Wards Affected	All wards
Ward Councillor Consulted	
Key Decision - Yes	

1. SUMMARY OF PROPOSALS

- 1.1 Since the Homelessness Act 2002, the Government has allocated grant funding to local authorities to prevent and tackle homelessness.
- 1.2 The annual grant to BDC, allocated through Communities and Local Government (DCLG) has been used each year since 2002 to fund a range of homelessness support services and schemes that focus upon the prevention of homelessness and repeat homelessness. In dealing with the National Deficit, the coalition government is making significant changes to the way in which Welfare Benefits are awarded and in particular Housing Benefit. Because of these changes the Council is anticipating an increase in the number of households finding themselves at risk of homelessness or requiring alternative accommodation due to affordability issues. Therefore, at a time of significant government cuts, DCLG has increased the amount of homelessness grant to local authorities. For Bromsgrove, this resulted in the Homelessness Grant allocation increasing by 40% to £113,470 per annum, paid as part of the Area Based Grant for 2011/12 and 2012/13.

This report provides members with information relating to progress on schemes in place in this District funded by DCLG Grant during 2011/12 and seeks Member approval for the award of grant to specific schemes in 2012/13 that have been recommended by the Homelessness Strategy Steering Group.

- 1.3 In addition to Homelessness Grant mentioned above, back in 2009 the Council received a non tenure specific 'Economic Recovery Fund' of £28,500. This fund was awarded to assist people who have suffered an income shock due to redundancy or short time working, whether they are home owners or tenants, and to facilitate mortgage rescue. The fund, which is being held separately from Homelessness Grant, has so far prevented one family from becoming homeless during 2009/10 and enabled two of the District's five mortgage rescues schemes to take place. The balance of £21,000 will be carried forward for 2012/13.

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2. RECOMMENDATIONS

- 2.1 That the Members of the Overview and Scrutiny Board note the report and the following Recommendations that were made to Cabinet on the 1st February 2012:
- 2.2 *That the update on the homelessness prevention and support schemes funded through DCLG Homelessness Grant during 2011/12 be noted.*
 - 2.3 *That, subject to the special meeting of the Cabinet on the 22nd February 2012 formally agreeing to the allocation of Homelessness Grant for 2012/13 being fully utilised for homeless projects, the submissions for the funding of schemes during 2012/13 recommended by the Bromsgrove Homelessness Strategy Steering Group set out at 3.9 of the report amounting to £92,100 be approved to receive funding from the Council's DCLG Homelessness Grant for 2012/13.*
 - 2.4 *That the additional recommendation regarding use of £21,000 DCLG Homelessness Grant to fund an additional resource to deliver the Step Up Private Tenancy Scheme as set out at 3.11 of the report, be approved.*
 - 2.5 *That the Head of Community Services in consultation with the Portfolio Holder for Strategic Housing be granted delegated authority to allocate any under spend or make further adjustments necessary to ensure full utilisation of the grant allocation for 2012/13 in support of existing or new schemes and approve expenditure of the Non Tenure Specific Economic Recovery Fund.*

3. KEY ISSUES

3.1 Financial Implications

- 3.2 Since the Homelessness Act 2002, the Government has allocated grant funding to local authorities to prevent and tackle homelessness and repeat homelessness. Since its inception, the annual grant to BDC, allocated through the Department for Communities and Local Government (DCLG) has been used to fund a range of homelessness support services provided in the District by a range of partner organisations. Members are referred to para 3.7 which sets out how the funding was spent in 2011/2012. DCLG has allocated

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Homelessness Grant of £113,470 for the financial year 2012/13. Members are referred to the tables at paras 3.10 and 3.13 which show the intended spending for 2012/13. The grant from DCLG has been included in the medium term financial plan and the purpose of this report is to seek Members approval to the detail of how the grant will be allocated.

3.3 Legal Implications

The requirements imposed on Council's in relation to homelessness are set out in the Part VII of the Housing Act 1996 and the Homelessness Act 2002. As set out below, the Council has developed a Housing Strategy Action Plan to address the needs of the homeless. The CLG grant enables the Council to support the various schemes listed at para 3.10 below. This in turn assists the Council in meeting its statutory duties to homeless applicants.

3.4 SCHEMES FUNDED BY DCLG GRANT DURING 2011/12

3.5 Members may recall that as the Strategic Housing Authority, BDC coordinates and leads the Bromsgrove Homelessness Strategy Steering Group. Through this group which includes partners from a range of organisations, the Council's Housing Strategy Action Plan has been developed to address the support needs of the homeless and provide schemes that are aimed at the prevention of homelessness.

3.6 On the 6th April 2011 the Executive Cabinet gave approval to the grant funding for 2011/12 being used in accordance with the recommendations made by the Bromsgrove Homelessness Strategy Steering Group. The Executive Cabinet also gave delegated authority to the Portfolio Holder and the Head of Community Services to re-allocate any under spend or make further adjustments necessary to ensure full utilisation of the grant allocation for 2011/12 in support of existing or new schemes.

3.7 The table below sets out how the grant funding for 2011/12 has therefore been allocated and utilised:

Allocation of CLG Homeless Grant 2011/12		
	Budget	
Amount Carried Forward from 10/11	14,035	
Homelessness Grant for 2011/12	113,470	
Total	127,505	

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	Award
Amount of Grant surrendered to BDC Balances	11,770.00
To Discretionary Housing Benefit.	5,000.00
Private Sector Housing Options Post	10,100.00
CAB Mortgage Rescue Adviser allocated 08/08	17,600.00
Newstart Furniture Project	8,500.00
Baseline Rent Deposit Scheme	21,500.00
Housing Options Service	15,000.00
Floating Homelessness Prevention Officers	24,000.00
Land Registry Searches	100.00
Lashbrook House Accom for Young People	5,000.00
Homelessness Coordinator	1,875.00
Basement PTS Deposits	4,000.00
Night Assessment Centre	2,375.00
Total	
Budget Available to Spend	126,820.00
Underspend to C/F to 12/13	685.00

3.8 The initiatives funded during 2011/12 are progressing as follows:

CAB Mortgage Rescue Adviser

The Owner Occupier specialist adviser at the CAB helped more than 300 households to avoid repossession. The hours spent working with each client varies from 9 to 24 hours with an average of 10 hours per client. In total 5 cases have been

mortgage rescued. The remaining clients needs have been resolved by accessing additional benefits such as support for mortgage interest, debt prioritisation, negotiation with mortgage lenders or in a minority of cases where mortgage rescue and where other options were exhausted, working with households to plan their move on into other tenures.

Private Tenancy Scheme for under 25's

The private tenancy scheme for under 25's is a valuable resource for Bromsgrove. The current service is being delivered by Bromsgrove Basement Project, but is being reviewed to ensure that value for money is achieved. It is recommended that continuation funding for a Private Tenancy Scheme is approved but that a process undertaken to ensure best value for money is achieved.

Housing Options

In 2007 the Homelessness Service was re-structured to enable a more preventative approach to those who are homeless and those who are threatened with homelessness by creating a

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Housing Options Service. The service is offered to anyone seeking advice regarding housing and is supported by the Step Up Private Tenancy Scheme, the Basement's PTS scheme and Home Choice Plus. The number of clients accessing the service has steadily increased from 646 in 2007/08 to 756 2010/11 and an anticipated 860 in 2011/12.

NewStarts Furniture Project

NewStarts furniture project has grown rapidly into the largest furniture re-use scheme in Worcestershire. It assists those who are homeless and requiring furniture to access settled accommodation earlier and helps those who are on limited incomes to access cheap furniture and avoid getting into debt. The scheme helps approximately 200 households in Bromsgrove District per annum.

3.9 THE CLG HOMELESSNESS GRANT FUNDING REQUIRING APPROVAL FOR 2012/13.

- 3.10 DCLG has allocated Homelessness Grant of £113,470 for both financial years 2011/12 and 2012/13. The Bromsgrove Homelessness Strategy Steering Group met on the 29th November 2011 to consider bids for future funding and decide whether any of the existing initiatives should receive extra funding. The Group agreed that initiatives could be delivered using existing funding levels and therefore a recommendation was made that existing initiatives continue to be funded at existing levels with any additional homelessness grant being directed towards the support of statutory services likely to be impacted upon by changes in Government policy regarding welfare benefits and the restructure of the Council's Strategic Housing Team under shared services.

Name of Project	Grant Approved £	Outcomes Other Considerations
Private Tenancy Scheme for under 25's	£21,500	A scheme to offer rent deposit, rent in advance and support to assist under 25's to access private rented accommodation.
BDHT – Floating Support Service	£24,000	Continuation of the floating support service for homeless or potentially homeless. This scheme is jointly funded by Supporting People and BDHT.

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Owner Occupier Money Adviser with CAB	£17,600	To provide specialist advice regarding mortgage repayment issues including debt prioritisation, benefit advice and negotiation with lenders in order to prevent repossession.
Home Visiting Service BDHT	£15,000	For BDHT to continue to provide Home Visiting and prevention activities as per the recommendations of the CLG Homelessness Adviser in 2006
New Start Re-use and Resettlement Project	£8,500	To provide furniture and support to homeless people.
County Homelessness Co-ordinator	2,500	To lead on the development of the County Homelessness Strategy and ensure that the Actions within the Countywide Action Plan are taken forward either by the Countywide Officer or a designated lead officer. (All 6 Worcestershire Districts contribute)
Night Assessment Centre	3,000	The Night Assessment Centre is an important facility for Rough Sleepers during severe weather. Given the duration and extreme weather experienced during last Winter it is important to continue to invest in this service so that Rough Sleepers can be offered somewhere safe and warm during severe weather conditions. (All 6 Worcs Districts contribute)
	£92,100	

A number of other bids were considered by the Steering Group but not recommended for approval. These included bids for funding for £5,500 towards the Education Initiative with St Basils, £15,000 for the Both Ways tenant matching service with Ourways, £4,500 for a Prison In Reach service for Fry Housing and £8,000 additional funding for the bdht floating support service, all of which were turned down due to insufficient funds and the need to support existing services and the proposal to enhance the proposed Shared Services Strategic Housing structure with an additional resource to deliver the Step Up Private Tenancy scheme.

3.11 DETAILS OF ADDITIONAL INITIATIVE TO RECEIVE GRANT FUNDING FOR 2012/13

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- 3.12 The restructuring of Strategic Housing under Shared Services means that there will be insufficient Council Revenue funded resources to continue offering the Step Up Private Tenancy Scheme. The Homelessness Strategy Steering Group have recommended that an additional tranche of Homelessness Grant is approved for the recruitment of a part time officer post within the team to deliver this service.

Name of Project	Homelessness Grant	Outcomes
Step Up Private Tenancy Scheme for over 25's	£21,000	Sustain existing placements of on average 20 homeless households into the private rented sector.
Total Additional Grant 2012/13	£21,000	

- 3.13 In summary the financial implications are as follows:

Carry forward from 11/12 assuming that current balance of £685.00 will be allocated under delegated authority.	£0.00
Homelessness Grant for 12/13	£113,470
Recommended for Approval (per 3.9)	£92,100
New Initiatives (per 3.11)	£21,000
Total	£113,100
Balance remaining	£370

3.14 CONCLUDING COMMENTS

- 3.15 Members are therefore asked to approve from the 2012/13 CLG Homelessness Grant, the funding of schemes set out above at 3.9 and 3.11.
- 3.16 Finally, as in previous years, Members are asked to grant the Head of Community Services in consultation with the Portfolio Holder For Strategic Housing delegated authority to approve re-allocation of any under spend or make further adjustments necessary to ensure full

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utilisation of the grant allocation for 2012/13 in support of existing or new schemes and approve expenditure of the Non Tenure Specific Economic Recovery Fund.

3.17 Service / Operational Implications

3.18 DCLG allocate funding under the Preventing Homelessness Grant to all local authorities to support their strategies to tackle and prevent homelessness effectively.

3.19 The number of people presenting as homeless, those accepted and the outcome of homelessness prevention services are monitored by the Strategic Housing Team on a quarterly basis. The demand on the housing options service in the District is expected to increase to 860 during 2011/12 and welfare benefit reform is only likely to exacerbate this increase in demand for advice and assistance.

Performance info 2009/10	Total 2006-7	Total 2007/8	Total 2008/9	Total 2009/10	Total 2010/11
Presentations	249	147	119	123	115
Acceptances	123	91	69	63	66
No of people in temp accommodation	63	16	13	14	31
Preventions	76	157	172	155	198
New homes	72	46	145	88	56
Voids	291	314	343	350	355
Housing advice (BDHT)		646	695	766	756

3.20 Customer / Equalities and Diversity Implications

3.21 This grant will benefit the Council's customer by offering household's more options to prevent their homelessness, where possible to enable them to remain in their own homes. The Council will be encouraging them to be more independent and take responsibility for their housing situation.

3.22 The grant will also benefit the larger community as opportunities to prevent homelessness will be maximised.

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Welfare and Housing Benefit changes are anticipated to impact on certain ethnic groups more adversely than others. The above initiatives will help the Council to ensure that anyone disadvantaged by these changes is supported to sustain their accommodation in the short term so that they can seek more suitable accommodation in the future and avoid becoming homeless.

4. RISK MANAGEMENT

4.1 If the recommended schemes are not approved there is a risk that more households who are threatened with homelessness or who are in housing need will have limited alternative options. There is the risk that they may have to make a homeless approach and this could consequently lead to the following risks:

- Inability by the Council to meet the statutory duty to provide temporary accommodation in the District thus necessitating placement in B&B accommodation outside of the District.
- Increased B&B costs.
- Increased Rough Sleeping in the District

5. APPENDICES

None

6. BACKGROUND PAPERS

None

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