

BROMSGROVE DISTRICT COUNCIL

CABINET

6TH APRIL 2011

OUTURN EXPENDITURE OF CLG HOMELESSNESS GRANT FUNDING FOR 2010/11, UPDATE ON PERFORMANCE AND PROPOSED USE OF GRANT FOR HOMELESSNESS PREVENTATIVE SCHEMES FOR 2011/12.

Relevant Portfolio Holder	Councillor P. Whittaker
Relevant Head of Service	Head of Community Services
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 the Department of 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.
- 1.3 In dealing with the national deficit, the 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 chosen to increase the amount of homelessness grant to local authorities. For Bromsgrove, this has resulted in the Homelessness Grant allocation increasing by 40% to £113,470, paid as part of the Area Based Grant for 2011/12 and 2012/13.
- 1.4 This report therefore :
- i) provides Members with a progress report on schemes currently in place in this District funded by DCLG Grant during 2010/11;
 - ii) seeks Members approval for the award of grant to specific schemes in 2011/12 that have been recommended by the Homelessness Strategy Steering Group.
- 1.5 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, and continues to be, intended to assist potentially homeless 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 it is anticipated that £11,000 will be used to facilitate three mortgage rescue cases in the pipeline by the end of March 2011. Accordingly approximately £13.500 will be carried forward for use during 2011/12.

2. RECOMMENDATIONS

- 2.1 That the update on the homelessness prevention and support schemes funded through DCLG Homelessness Grant during 2010/11 be noted.
- 2.2 That the submissions for the funding of schemes during 2011/12 recommended by the Bromsgrove Homelessness Strategy Steering Group be approved to receive funding from the Council's DCLG Homelessness Grant for 2011/12.
- 2.3 That the additional recommendation regarding use of DCLG Homelessness Grant to fund a new temporary Private Sector Housing Options part time post be approved for a two year period at £10,100 for 2011/12 and £11,017 for 2012/13 and in addition a fund of £5,000 to offer discretionary housing benefit payments to those who have accessed the Private Rented Sector through the Housing Options Service and others adversely affected by Housing Benefit changes.
- 2.4 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 2011/12 in support of existing or new schemes and approve expenditure of the Non Tenure Specific Economic Recovery Fund.

3. BACKGROUND

- 3.1 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.

The Government requires the following outcomes to be delivered by the grant:

- Reduced and sustained reduction in the level of rough sleeping by at least two thirds below the level in 1998.
 - Avoidance of long-term use of bed and breakfast accommodation for homeless families with households with children or a pregnant woman.
 - End the use of bed and breakfast accommodation for young people between 16 and 17 years of age.
 - Reduction in the use of temporary accommodation by 50% by 2010 (already achieved and maintained to date).
- 3.3 As the Council experiences minimal or no rough sleeping, has very low usage of B&B (using hostel and self contained dispersed units to house homeless families) and has sound homelessness preventative services, all of the above requirements are currently being met.

4. SCHEMES FUNDED BY DCLG HOMELESSNESS GRANT DURING 2010/11

- 4.1 Members may recall that as the Strategic Housing Authority, BDC co-ordinates and leads the Bromsgrove Homelessness Strategy Steering Group. Through this group, which includes partners from a range of organisations, the Council's Housing Strategy Homelessness Action Plan has been developed to address the support needs of the homeless and provide schemes that are aimed at the prevention of homelessness.
- 4.2 On the 3rd March 2010 the Executive Cabinet gave approval to the grant funding for 2010/11 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 Planning and Environment to re-allocate any under spend or make further adjustments necessary to ensure full utilisation of the grant allocation for 2010/11 in support of existing or new schemes.

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The table below sets out how the grant funding for 2010/11 has therefore been allocated and utilised:

Allocation of CLG Homeless Grant 2010/11			
	Budget	Bids	Actual
		£	£
Amount Carried Forward from 09/10	53,874		
Homelessness Grant for 10/11	81,050		
Total	134,924		
CAB Mortgage Rescue Adviser		12,000	12,000
Newstart Furniture Project		5,000	5,000
Baseline Rent Deposit Scheme		18,000	18,000
Floating Homelessness Prevention Officers		24,000	24,000
Housing Options Service		15,000	15,000
Consultation		400	0
Training flat		2,728	0
New Start Van Driver		3,500	3,500
PTS top up		3,500	3,500
Under occupation		21,000	13,975
Education Initiative		2,000	2,000
County Homelessness Strat (previously allocated to Centerpoint)		3,000	4,375
Children England		10,000	10,000
BYHF PTS from CLG		10,000	10,000
Mortgage Rescue		5,139.44	5,139.44
Fry Housing Trust- Move on packs		1,400	1,400
Total		136,667.44	127,889.44
Under spend		-1,743.44	7,034.56

4.3 The initiatives funded during **2010/11** are progressing as follows:

Under occupation

There is a growing need to make better use of existing social housing stock by encouraging those who are under occupying their homes to move to something more appropriate to their needs. The research carried out by consultant Richard Turkington identified significant numbers of people under occupying their homes in the social rented sector and what incentives might encourage them to move, for example support with arranging removals and redirection of post, the type of property, financial help towards the cost of moving. The Council is continuing to work with Housing Providers and the Home Improvement Agency to proactively discuss housing

options to those who are under occupying their homes and where possible and appropriate, encourage them to move.

Owner Occupier Money Adviser

The Owner Occupier specialist adviser at the CAB helped 96 households to avoid repossession in 2009/10 and is expecting the number to increase to 160 households by the end of 2010/11. 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 referred to full mortgage rescue. The remainder have been resolved by accessing additional benefits such as support for mortgage interest, debt prioritisation and negotiation with mortgage lenders.

BYHF Private Tenancy Scheme

Following the successful Regional Centre of Excellence Youth Homelessness Event held at Avoncroft Museum in May 2009, CLG awarded an additional £10k to BYHF to promote the private tenancy scheme for under 25 year olds. Work is continuing to develop this resource pack and website.

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 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 and continues to do so from 646 in 2007/8 to 766 in 2009/10 and an anticipated 760+ by the end of 2010/11.

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 without delay and helps those who are on limited incomes to access affordable furniture and avoid falling into debt. The scheme helps approximately 200 households per annum.

Education Initiative

St Basils are developing a Homelessness Education Initiative pilot in the District to prompt young people to think about homelessness

and how it would affect them personally. It also trains and engages young people who have been homeless and gives them an opportunity to share their experiences and gain skills and qualifications in the classroom and one to one mentoring other young people. The initiative has been showcased and partner agencies have been asked to express an interest in delivering it to schools.

Fry Housing Trust

Fry Housing Trust secured £1,400 grant to help residents move on from their accommodation by providing a loan for white goods such as cookers and washing machines. These loans are repayable.

5.0 THE IMPACT THAT PREVENTATIVE SERVICES HAVE HAD ON REDUCING HOMELESS PRESENTATIONS AND ACCEPTANCES AND BDC's PERFORMANCE AGAINST THE GOVERNMENT TARGET OF REDUCING THE USE OF TEMPORARY ACCOMMODATION BY DEC 2010.

5.1 The number of people presenting as homeless, those accepted as homeless and the outcome of homelessness prevention services are monitored by the Strategic Housing Team on a quarterly basis. The table below indicates that homelessness presentations are starting to increase and that whilst acceptances are still low the number of housing options interviews and homeless preventions have increased.

Performance info 2009/10	Total 2006-7	Total 2007/8	Total 2008/9	Total 2009/10	Total to 31 st Dec 2010	Projected 2010/11
Presentations	249	147	119	123	79	105
Acceptances	123	91	69	63	45	60
No of people in temp accommodation	63	16	13	14	19	
Preventions	76	157	172	155	119	159
New homes	72	46	145	88	55	55
Voids	291	314	343	350	256	341
Housing advice (BDHT)		646	695	766	540	720

5.2 In 2004, the Government set all housing authorities a target of reducing the number of homeless clients living in temporary accommodation by 2010. For Bromsgrove, this meant reducing the number of households in temporary accommodation from 68 to 34.

5.3.1 By the 31st December 2007, the Council achieved the target figure of 34 when it recorded only 33 clients occupying temporary accommodation. Since that milestone the trend for reducing the number of households in temporary accommodation continued until recently. However, there were 19 households occupying temporary accommodation at the end of December 2010. In addition to this there has been a 40% increase in homelessness acceptances from April – Sept 2010 when compared with April – Sept 2009 and there have been year on year increases in households attending housing options interviews.

6.0 HOMELESSNESS PREVENTION SCHEMES RECOMMENDED FOR GRANT FUNDING FOR 2011/12.

6.1 DCLG has allocated Homelessness Grant of £113,470 within the Council's ABG for each of the two financial years 2011/12 and 2012/13. The Medium Term Financial Plan Report considered by Cabinet on the 23rd February approved outline budget approval for £102,000 within which the following detailed schemes are recommended for approval.

6.2 The Bromsgrove Homelessness Strategy Steering Group met on the 7th December 2010 to consider bids for future funding and 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 the following schemes continue to be funded at existing levels with any additional homelessness grant being directed towards the support of statutory services likely to be impacted by changes in Government policy regarding welfare benefits.

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6.3 2011/12 Schemes Recommended for Homelessness Grant

Name of Project	Grant recommended for Approval £	Outcomes Other Considerations
BYHF – Private Tenancy Scheme for under 25's	£21,500	Continuation of scheme offering 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.
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.
	£86,600	

7.0 RECOMMENDATION OF ADDITIONAL SCHEMES TO RECEIVE REMAINING GRANT FUNDING FOR 2011/12 and 2012/13.

7.1 The Strategic Housing Team have considered how the remaining unallocated approved grant could best provide an opportunity to minimise the impact of Housing Benefit changes and help households to access more affordable accommodation in the Private Rented sector and avoid homelessness.

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- 7.2 In order to achieve this it is proposed that a temporary 'Private Sector Housing Options Post' is established on a part time basis. The expectation of the post holder would be to negotiate lower rents with landlords for those adversely affected by Housing Benefit changes, encourage more landlords to convert properties to HMO's to enable those who need to move into something more affordable, and work with CAB to decide whether Discretionary Housing Benefit could be applied.

Name of Project	Grant Recommended for approval	Outcomes
Private Sector Housing Options Post	£10,100 2011/12 £11,017 2012/13	Improved access to the private rented sector with a view to securing more affordable rents and encouraging more HMO's
Discretionary Housing Benefit Fund for those threatened with Homelessness	£5,000	To help those who have accessed the Private Rented Sector with Council support to manage any reduction in Housing Benefit that would otherwise put them at risk of homelessness.
Total Additional Grant 2011/12	£15,100	

- 7.3 As in previous years, it is proposed that any unspent funds or additional funding during the year being allocated under delegated authority if required.

8.0 CONCLUDING COMMENTS

- 8.1 Members are therefore asked to approve from 2011/12 CLG Homelessness Grant, the funding of schemes set out at 6.3 and 7.2 above.

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- 8.2 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 utilisation of the grant allocation for 2011/12 in support of existing or new schemes and approve expenditure of the Non Tenure Specific Economic Recovery Fund.

9.0 FINANCIAL IMPLICATIONS

- 9.1 In summary the financial implications are as follows:

Carry forward from 10/11	£0.00
Grant 11/12	£113,470
Amount of grant approved for Preventative Schemes – Cabinet 23.02.2011.	£102,000
Recommended for Approval (per 6.3)	£86,600
New Initiatives (per 7.2)	£15,100
Total	£101,700
Balance remaining	£300

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

10.0 LEGAL IMPLICATIONS

Prevention of homelessness through the schemes developed and funded through CLG Grant assist the Council in meeting its statutory duties to homeless applicants under the Homeless provisions of the Housing Act 1996 and the requirements of the Homelessness Act 2002 that prevents local authorities from placing homeless families or expectant mothers in B&B type accommodation.

11.0 COUNCIL OBJECTIVES

- 11.1 **Objective 1 – Regeneration (Town Centre and Housing)**

Improved standard of support and preventative service for homeless people.

11.2 Objective 2 – Improvement

Improved service to customers by the ability to provide a higher standard of prevention and support service together with more choice in solutions available.

11.3 Objective 3 – Sense of Community and Wellbeing

Homelessness prevention, reduction and support influences health and wellbeing.

11.4 Priority 4 – Environment

Reduction of homelessness helps a more planned allocation of housing thus supporting better neighbourhood integration and therefore reduces any negative impact upon the environment.

12.0 RISK MANAGEMENT INCLUDING HEALTH AND SAFETY CONSIDERATIONS

12.1 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.
- Inability to maintain the reduction in the use of temporary accommodation to no more than 34 units.
- Increased Rough Sleeping in the District

13. CUSTOMER IMPLICATIONS

13.1 This scheme 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.

The scheme will also benefit the larger community as there will be fewer households making homeless approaches, and in turn less homeless households in the district.

14. EQUALITIES AND DIVERSITY IMPLICATIONS

- 14.1 Whilst the Government has published an impact assessment regarding housing benefit changes it identifies that there is insufficient research to identify the adverse impact on some equalities groups. However, it does indicate that certain ethnic groups are likely to be more adversely affected than others by the changes to Housing Benefit entitlements. 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.

15. VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND ASSET MANAGEMENT

- 15.1 Homelessness Grant is provided by CLG to facilitate the development of homelessness prevention activities. By working with partners we are able to deliver a wide range of services and initiatives cost effectively.

16. CLIMATE CHANGE AND CARBON IMPLICATIONS AND BIODIVERSITY

- 16.1 None

17. HUMAN RESOURCES IMPLICATIONS

- 17.1 The appointment of a temporary Private Sector Housing Options post will require support from HR but funding for the post is identified through homelessness grant.

18. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF CRIME AND DISORDER ACT 1998

- 18.1 Minimising rough sleeping helps to create an atmosphere where the perception of crime is low and reduces possible anti social behaviour relating to rough sleeping.

19. HEALTH INEQUALITIES IMPLICATIONS

- 19.1 Homelessness and potential homelessness can have a serious effect on a households mental health and the ability of a family to thrive. Any measures to prevent homelessness will have positive effects on the households affected.

20. LESSONS LEARNT

- 20.1 By increasing the resources and restructuring services to concentrate on prevention of homelessness we have:

Reduced and sustained reduction in the level of rough sleeping by at least two thirds below the level in 1998.

Avoided long-term use of bed and breakfast accommodation for homeless families with households with children or a pregnant woman.

By 2010, ended the use of bed and breakfast accommodation for young people between 16 and 17 years of age.

Reduced the number of households in temporary accommodation by in excess of the required 50%.

At the 31st December 2007, the Council achieved the target figure of 34 when it recorded only 33 clients occupying temporary accommodation. Since that milestone the trend for reducing the number of households in temporary accommodation continued until recently. However, there were 19 households occupying temporary accommodation at the end of December 2010. In addition to this there has been a 40% increase in homelessness acceptances from April – Sept 2010 when compared with April – Sept 2009 and there have been year on year increases in households attending housing options interviews.

We have found that in the past Homelessness Grant has allowed us the flexibility to respond to changes in the demand for homelessness and housing advice service, for example by providing a specialist adviser at CAB to help people to avoid mortgage repossession. Continued investment in prevention services will help the Council to continue to carry out its' homelessness and housing advice duties and avoid expensive bed and breakfast costs.

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21. COMMUNITY AND STAKEHOLDER ENGAGEMENT

- 21.1 The recommendations for support schemes to be funded included in this report come from the consideration given by the Bromsgrove Homelessness Strategy Steering Group membership of which is multi agency.

22. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	Yes
Executive Director (s151 Officer))	Yes
Executive Director - Leisure, Cultural, Environmental and Community Services	Yes
Executive Director – Planning & Regeneration, Regulatory and Housing Services	Yes
Head of Service - Community	Yes
Head of Resources	Yes
Head of Legal, Equalities & Democratic Services	Yes
Corporate Procurement Team	No

23. WARDS AFFECTED

- 22.1 The homeless prevention services and issues covered in the report are District wide and are not specific to any particular ward.

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24. APPENDICES

24.1 None

24.0 BACKGROUND PAPERS

24.1 None

AUTHOR OF REPORT

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