

PART 1 - PUBLIC

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Decision Maker: **Development Control Committee**

Date: **17<sup>th</sup> November 2011**

Decision Type: Non-Urgent Non-Executive Non-Key

**TITLE: ADDRESSING RISING HOMELESSNESS AND HOUSING  
NEED AND ASSOCIATED BUDGETARY PRESSURES**

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Chief Officer:

Ward: BOROUGHWIDE

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1. Reason for report

The appended report was considered by the Adult & Community Services PDS Committee and Portfolio Holder at their meeting on 27<sup>th</sup> September 2011. The report provides an overview of the current housing market supply and need position within Bromley. The report also outlines the initiatives and direction proposed to seek to address the current mismatch between housing need and supply which is resulting in increased usage and cost of temporary accommodation with associated budgetary pressures.

The appended report details a range of current and proposed initiatives which seek to minimise the use of the more expensive forms of temporary accommodation and thus seek to reduce the projected budget overspend.

The Committee and Portfolio Holder were asked for and provided their views on and support of these initiatives.

Additionally, the PDS Committee and the Portfolio Holder requested that the report be submitted to the Development Control Committee for information in consideration of the Core Strategy on Affordable Housing and the Local Development Framework.

2. **RECOMMENDATIONS**

2.1 **Development Control Committee are asked to note the matters raised in the report, the pressures faced by the Council in meeting its statutory housing duties and the general matters raised about the housing market in Bromley. The committee are also asked to consider what actions the Council can take to assist when developing and using its planning policies.**



## **1. COMMENTARY**

- 1.1** The appended report was considered by the Adult & Community Services PDS Committee and Portfolio Holder at their meeting on 27<sup>th</sup> September 2011. The report provides an overview of the current housing market supply and need position within Bromley and outlines the initiatives and direction proposed to seek to address the current mismatch between housing need and supply which is resulting in increased usage and cost of temporary accommodation with associated budgetary pressures.
- 1.2** The appended report details a range of current and proposed initiatives which seek to minimise the use of the more expensive forms of temporary accommodation and thus seek to reduce the projected budget overspend.
- 1.3** The Committee and Portfolio Holder were asked for and provided their views on and support of these initiatives. The following recommendations were agreed by the PDS Committee and decisions made by the Portfolio Holder
- a) That the continued strategy and initiatives for 2011/12 to deal with increased pressures on the service and budget as detailed in paragraph 1.18 be agreed.
  - b) That the pursuance of the proposed initiatives and direction as outlined in paragraph 1.19 and in particular the work around seeking use of empty Council buildings as temporary accommodation and the potential for using other forms of temporary accommodation – e.g. mobile homes be approved.
  - c) That the proposals for use of Payment in Lieu funds as detailed in paragraph 1.22 aimed at contributing supply options to help address the issues raised in this report be approved.
  - d) That the ongoing work of Empty homes Officers to contribute to the supply and help address the budget pressures and for the additional financial benefits as per paragraphs 1.26 to 1.28 be supported.
  - e) That the proposal to make a spend to save bid for a person to see through the work on the range of proposals and initiatives on increasing supply to reduce the pressures and spend on Bed & Breakfast accommodation be approved.
  - f) That the proposal to make a bid for LBB capital to ensure sufficient funding for grants to bring empty properties back in to use with the aim of such grants to be in the form of loans to reduce the pressures and spend on Bed & Breakfast accommodation and increase the financial benefit to the Council from the New Homes Bonus be supported.
  - g) That the theme of locating properties in less expensive areas of the Country be included in the strategy.
- 1.4** Additionally, the PDS Committee and the Portfolio Holder requested that the report be submitted to the Development Control Committee for information in consideration of the Core Strategy on Affordable Housing and the Local Development Framework.
- 1.5** The report stated that current trend analysis suggests that the increases in clients and pressure on the service are likely to continue in to the foreseeable future and potentially rise further, particularly when considering future changes to Local Housing Allowance levels (the Housing Benefit cap), mortgage interest rates, household growth, migration – to London as well as outwards from inner London due to changes to the LHA. Meanwhile, the reduction of funding for national mortgage

rescue scheme, will significantly reduce the number of successful homeless preventions via this route in future years.

- 1.6 The report also stated that, as a consequence of the pressures on the service and the difficulties for the Council in obtaining supply, in order to meet the Council's statutory duties to homeless applicants, the numbers of households in temporary accommodation and, in particular nightly paid accommodation placements, have been rising by approximately 15 additional placements each month (total placements 169 households in B&B/NPA on 14<sup>th</sup> September). This was nearly 100 more than March 2011 and since the meeting the number had continued to increase and stood at just over 200 w/c 24<sup>th</sup> October 2011. This increase had also resulted in adjustment to the budget forecasting such that, when the report to ACS was written the projections showed a forecast overspend this year of £200k (£305k full year effect) on the Bed & Breakfast budget. Since then numbers in B&B have continued to rise and the latest overspend projection is £283k this year (£450k full year effect).
- 1.7 The report also stated that behind this figure lies the fact that this is also resulting in the placement of families in temporary accommodation well outside the Borough boundaries and thus away from support networks, work, schools, GPs etc.

## 2. POLICY IMPLICATIONS

- 2.1 The Adult & Community Portfolio Plan contains statements of Council policies and objectives in relation to housing and associated matters along with progress that members expect to make during the financial year and beyond. These are compliant with the statutory framework, within which the service must operate and incorporates both national targets and priorities identified from the findings of review, audits and stakeholder consultation.

## 3. FINANCIAL IMPLICATIONS

- 3.1 None arising directly from this report to DCC. However, the appended report to ACS contains specific financial implications and matters for the ACS Portfolio Holder and the overall pressures outlined in the appended report are creating a significant overspend in the Bed & Breakfast budget.

## 4. LEGAL IMPLICATIONS

- 4.1 The Council has a number of statutory obligations in relation to housing as listed on page 3 of this report.
- 4.2 In direct relation to the contents of this report, these include the provision of housing advice and assistance to prevent homelessness or divert from homelessness, assessment of homeless applications, to make temporary and permanent housing provision for those applicants to whom the Council has a statutory rehousing duty, and supporting such households to sustain accommodation.

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| <b>Non-Applicable Sections:</b>                       | Personnel   |
| Background Documents:<br>(Access via Contact Officer) | Homelessness Strategy – Sara Bowrey<br>Portfolio Plan 2010/11 – Catriona Ellis<br>Business plan – David Gibson<br>Empty Property Strategy – ACS PDS November 2009 |