

London Borough of Bromley**PART 1 - PUBLIC****Briefing for Care Services Policy Development and Scrutiny Committee
Tuesday 11 November 2014****HOUSING SERVICES 2014/15 PRIORITIES UPDATE**

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1. Summary

- 1.1 This report provides a summary of the key performance for the first half of 2014/15. It then goes on to provide a brief update on the current housing pressures being faced regarding continued high levels of homelessness and increased temporary accommodation use, and sets out the key priorities for the remainder on 2014/15 aimed at directly tackling the level of homelessness and high cost temporary accommodation.

2. THE BRIEFING

- 2.1 Appendix 1 demonstrates that significant work has been undertaken to progress the priority areas contained within the Service and Portfolio Plans, particularly in relation to the level of homeless prevention work. However as previously predicted, the continuing high volume of statutory homelessness and impact of welfare reform in terms of accommodation supply and affordability, have impacted significantly on the number of households in temporary accommodation and associated budget pressures.

2.2 Key achievements of note for the first half of 2014/15 are:

- Homelessness resolved through housing advice prevention work and assistance to secure alternative housing solutions for 694 households. The comparative cost of homeless acceptance and temporary accommodation placement would equate to an additional full year budget pressure in the region of £4.5m
- Enhanced incentives have continued to secure an additional supply of more cost effective temporary accommodation to meet statutory needs: 43 additional units have been secured during the first half of 2014/15.
- 38 social housing tenancies recovered through social housing fraud initiative to enable use for newly emerging statutory housing need.
- Joint working arrangements developed to advise and support households affected by the latest tranche of welfare reform has assisted more than 200 households affected by the benefit cap and removal of the spare room subsidy to identify sustainable solutions to prevent homelessness including more than 50% assisted to enter employment.

Summary of current housing need and supply

- 2.3 The current pressures faced in relation to homelessness and the use of temporary accommodation have regularly been reported.
- 2.4 The demand for, and supply of housing that is affordable have both been severely impacted by the current housing market and welfare reform, resulting in increased difficulty in securing prevention solutions and accessing the private rented accommodation for low-income and benefit dependent households. This has led to increased homelessness and use of costly forms of temporary accommodation to meet statutory duties due to rising prices and more restrictive subsidy regimes which have essentially transferred increased cost to the local authority for the provision of temporary accommodation.
- 2.5 Demand is mapped against expected future trends and supply levels. Overall the analysis shows growing statutory demand for accommodation against a decreasing supply both through housing association lettings and access to affordable private rented sector accommodation, particularly in light of welfare reform and rising accommodation charges.
- 2.6 In summary this means that, despite the significant work undertaken by officers to prevent homelessness and increase access to a range of affordable housing solutions across the housing market, the number of statutory homeless households having to be accommodated in temporary accommodation has continued to increase rising from 427 in April 2011 (when the first tranche of welfare reform was implemented) to 921 on 30th September 2014, with an increasing proportion of this accommodation only being able to be secured with providers on a nightly paid rate in excess of the subsidies available for the provision of temporary accommodation. Budget and service pressures are severe with little prospect of a reduction in pressures over the next few years, particularly on light to the reduced level of new developments and forthcoming impact of universal credit.

Key Priorities for the second half of 2014/15

- 2.7 The detailed local approach to addressing the homelessness and housing supply issues detailed above are set out within the Council's Homelessness Strategy 2012-17 and is supported through the portfolio plan and forthcoming Housing Framework 2014-17.
- 2.8 There is no single solution to the issues set out above and, as such, the priorities for 2014/15 cover a range of initiatives designed to address the level of statutory homelessness and mitigate the associated budgetary pressures as far as possible. Set out below are the key priority actions for the remainder of 2014/15:

Early intervention and homelessness prevention:

- Continued focus on maximising the level of homelessness prevention, focusing particularly on the impact of welfare reform and increased level of homelessness arising from private rented sector evictions
- Working with partners to develop robust responses to minimise the potential rise in homelessness as universal credit starts to be rolled out across the country.
- Working with housing associations to further strength the level of proactive work to prevent homelessness for their tenants, and in particular for those affected by the removal of the spare room subsidy.

- Ensuring the provision of appropriate support to prevent repeat homelessness and ensure that housing solutions identified are sustainable in the longer term.

Ensuring sufficient supply of cost effective temporary accommodation:

- working in partnership with all London boroughs to achieve value for money in the provision of nightly paid accommodation to reduce excessive unit costs.
- To expand the block booking pilot to increase the supply of more affordable nightly paid arrangements
- Continue to promote flexible packages and enhanced schemes to increase the supply of longer term more cost effective temporary accommodation through housing association and leasing scheme partners.
- Progress the approved business plan for refurbishment of Manorfields, a former residential units to provide 45 units of temporary accommodation.
- Increasing access to a range of affordable housing solutions across the housing sector.
- Continued promotions of enhanced and flexible incentives to increase access to the private sector for lower income households. Including a landlords fair.
- Working with housing association partners to enable to delivery of new affordable housing and the retention of existing affordable housing supply

Making best use of the existing housing association stock:

- Complete the formal consultation and implementation of agreed provisions to the Allocations Scheme to ensure a continued focus on greatest housing need and increased flexibility to meet overarching statutory priorities through the allocations scheme.
- Operation of the social housing fraud initiatives to make full use of the new powers and grant funding secured to identify and tackle incidents of social housing fraud.
- Promotion of under occupation and transfer schemes to best match available supply to housing need.

3. Conclusions

- 3.1 The range of initiatives being progressed under the above priority areas, will offer a flexible and targeted approach to tackling homelessness and seeking to stem the current cost pressures being faced. In all cases resources will be priorities against those initiatives which offer the greatest costs efficiency in terms of reducing the cost of nightly paid accommodation and fulfilling the Council’s statutory rehousing duties.