

Appendix 1

Housing and Wellbeing Service

Main budget pressures and the action that is being taken to mitigate them

BACKGROUND

During the past 18 months, the number of households applying to the Council for assistance under the homelessness legislation has doubled.

The Homelessness Team has struggled to cope with this sharp rise in the number of homelessness applications and, despite the Officers' best efforts, a large backlog of more than 200 outstanding homelessness decisions has built up.

This increase in demand has created a huge budgetary pressure for the Council because, as well as increasing the number of homeless households placed in temporary accommodation, it has increased the amount of time they spend in it.

The financial pressures caused by the Council's increased use of temporary accommodation have been made worse by the fact that the Council is only able to recover (in charges and government subsidies) part of what it pays housing suppliers for the temporary accommodation that it uses to discharge its homelessness duties.

Between March 2016 and August 2017, the number of homeless households living in the Council's temporary accommodation increased by 182% from 66 to 186 and, during the same period, the number of these homeless households that were living in Bed & Breakfast accommodation increased by 164% from 33 to 87.

As at 22 August 2017, the situation was as follows:

- 186 homeless households were living in temporary accommodation (including 87 households in Bed & Breakfast accommodation)
- 40 homeless households were living in temporary accommodation that is situated outside of the Northampton borough
- The average caseload of each full-time Homelessness Officer was 50
- The net cost (to the Council) of providing homeless households with temporary accommodation was more than £50,000 per month

COMPREHENSIVE ACTION PLAN

As part of a comprehensive action plan that is designed to reduce the use and cost of temporary accommodation, the Council has set aside additional funding from its housing reserves to clear the backlog of outstanding homelessness decisions, reduce by two thirds the caseload of each Homelessness Officer and reduce, to 4 weeks, the average time it takes Homelessness Officers to make decisions.

As well as reducing the net unit cost of the temporary accommodation it uses, the Council is seeking to achieve the following over the next 12 months:

- To halve the number of households living in temporary accommodation;
- To reduce, by 90%, the number of households living in B&B; and
- To stop using temporary accommodation outside of the Northampton borough

REDUCING THE USE OF TEMPORARY ACCOMMODATION

In order to reduce its use of temporary accommodation, the Council is planning to introduce a series of measures to reduce the number of households placed in temporary accommodation and the amount of time they spend in that accommodation.

By clearing the backlog of outstanding decisions, reducing the Homelessness Officers' caseloads and increasing the capacity of the Homelessness Team, it will be possible to get back to a situation, by Christmas 2017, where it takes the Homelessness Officers an average of 28 calendar days (4 weeks) to issue a homelessness decision.

By reducing homelessness decision times, the Council will be able to ensure that:

- Where it is decided that the household is owed a housing duty, they are quickly awarded the highest priority on the Housing Register and can be rehoused into suitable housing as soon as possible; and
- Where it is decided that the household is not owed a housing duty (because they are deemed to be intentionally homeless or not to be in priority need, for example), temporary accommodation can be withdrawn as soon as possible.

In order to minimise the amount of time that homeless households spend in temporary accommodation after they have requested a review of the Council's homelessness decision, Cabinet is being asked to approve the outsourcing of the homelessness reviews function to a suitably qualified organisation that has the expertise and capacity to help the Council complete all homelessness reviews, on time, within 56 days.

Cabinet is also being asked to approve a series of temporary changes to the Housing Allocations Scheme that will accelerate the rehousing of homeless households.

As well as increasing staffing levels within the Homelessness Team, the Council has agreed to employ a full-time Home Visiting Officer (on a 12 months, fixed-term contract) to visit everyone who claims that they are being made homeless by parents, family or friends to verify their circumstances and negotiate housing solutions that prevent or delay homelessness and minimise the need for temporary accommodation.

Most importantly, a concerted effort will be made to remove any 'blockages' that are preventing or delaying homeless households from moving on from temporary accommodation, and to ensure that temporary accommodation is withdrawn in a timely manner when the Council's homelessness duty has been discharged.

REDUCING THE NET COST OF TEMPORARY ACCOMMODATION

In order to reduce the net cost of the temporary accommodation that it uses, the Council must not only reduce the overall number of homeless households living in temporary accommodation but also reduce its use of those types of accommodation that cost the Council a lot more than it is able to recover in charges and government subsidies.

At present, Bed & Breakfast (provided by hotels and guest houses) is the most expensive temporary accommodation that the Council uses. Self-contained, nightly purchased accommodation (houses and flats) is less expensive than Bed & Breakfast, but still much more expensive than private sector leasing and the use of council homes.

Of the 186 homeless households in temporary accommodation on 22 August 2017, 87 (47%) were in hotels / guest houses, 36 (19%) were in self-contained, nightly purchased accommodation and 63 (34%) were in council homes let as temporary accommodation.

The intention is to halve the number of homeless households living in temporary accommodation within 12 months and, during the same timeframe, stop using temporary accommodation outside of the Northampton borough and reduce, by 90%, the number of households living in Bed & Breakfast accommodation.

Effective negotiation with housing suppliers has resulted in the Council securing a good supply of self-contained, nightly purchased temporary accommodation in Northampton at favourable nightly rates. All housing suppliers that approach the Council offering accommodation on a like-for-like basis are now offered the same standard nightly rates.

It is intended that, within 12 months, the Council's reduced portfolio of temporary accommodation will consist mainly of self-contained accommodation (private sector leasing and council homes used as temporary accommodation) that is situated within the borough and managed by the Council through its Social Lettings Agency.

The Social Lettings Agency Manager has worked very closely with Northampton Partnership Homes to improve the quality of the 65 council homes that are being used as temporary accommodation, and to streamline procedures to ensure that homes are inspected, repaired and re-let much more quickly than they have been in the past.

Making optimum use of council-owned temporary accommodation – by ensuring that all homes are fully utilised and are repaired and re-let as quickly as possible – is a priority for the Council because the cost of providing this type of accommodation is met in full by the rent charged to the occupants. While homes are empty and are not available for letting, the Council will have to use other, more expensive temporary accommodation.

In order to reduce the net cost of the temporary accommodation that it uses, the Council must not only reduce the overall number of homeless households living in temporary accommodation and the price it pays for temporary accommodation, but it must also ensure that it maximises the income it collects in charges and government subsidies.

Robust procedures are being put in place to ensure that all Housing Benefit applications are submitted (with all supporting documentation) in a timely way, and new monitoring arrangements will be introduced to ensure that the Council receives the maximum amount of Housing Benefit from households living in temporary accommodation.