

Appendix 1 - Managing Homelessness Demand

This report is part of a council wide project looking at what we are taking to control homelessness demand and promote supply. This report concentrates on controlling demand.

Background

The fundamental issue driving homelessness in Harrow is that as we have one of the smallest social housing stocks in London. We are far more dependent on the private rented sector (PRS) to meet housing need than other boroughs. Following years of policies that have not enabled lower cost rented accommodation to be built, the PRS is now seriously overheated and dysfunctional in London. Rents are rising at double digit inflation rates, whilst housing benefit, which is available for low to moderate income families to help pay for accommodation in London, is frozen.

Our neighbours are suffering similar pressures but have fewer families in B&B as they have other options. Brent for example has a far larger social housing stock and now uses 80% of new lettings for homeless households, (although this is likely to stoke up homelessness pressures in the future). Ealing is facing serious pressures and is now unable to find sufficient traditional B&B because of pan London agreements on price caps, and makes extensive (and expensive) use of commercial hotels such as Premier Inn. Croydon is heading for an over-spend in excess of £10 million. See Appendix 1a for comparative data.

Financial Position

Due to homelessness activity and B&B costs in 2015-16 the over-spend was £1.7million, of which £1 million was met by a one off use of reserves in that year. The B&B growth experienced in last year means that there is an immediate pressure at the start of 2016-17 due to the number of families in B&B being significantly higher than was assumed when the budget was originally set.

B&B numbers as at 1st April 2015 were 153, with numbers at the end of the 2015-16 of about 310 (including Harrow Hotel which is now having to be decanted). So in 2016-17 we start the year with over 150 more families in B&B than 1st April 2015

There is no sign of a reduction in homelessness pressures or significant new supply of accommodation, so it is likely B&B numbers will rise in 2016-17 at least as fast as 2015-16. At current average B&B unit costs this indicates a potential pressure on the B&B budget of about £3.5million to £4.5million in 2016-17, taking into account other pressures through further welfare reform and regeneration reducing other temporary accommodation supply.

Controlling Demand through Homelessness Prevention.

Officers are trained in negotiating skills and we hold regular prevention workshops.

The largest group of families now facing homelessness are existing private rented tenants being evicted by their landlord.

For Private Rented Sector (PRS) tenants, at first contact they are questioned why they have been told to leave or why they believe the landlord wants to evict them. They are also made to understand that if they are evicted, they are likely to get a poorer housing solution such as Out of London, smaller accommodation, and/or may have to contribute (more) towards the rent from their benefit or earned income. Any issues such as disrepair, poor property management etc are discussed so they can be resolved. An assessment of how much they can contribute to rent payment is undertaken.

Next there is a discussion with the landlord to find out why they want to evict. Grants and financial assistance can be offered to tackle disrepair and rent top ups are available. A cost benefit analysis is undertaken, and agreed payments signed off by a manager. Usually it is about money, landlords believing (correctly) that they can rent the property to other households for far more money. Other issues such as a poor relationship with the tenant are explored and attempts are made to resolve these issues. Any problem with the tenant such as rent arrears, tenants' damage etc are considered, so either they can be resolved or they may form the basis for an Intentionality investigation and decision. If the tenant needs to move, an attempt is made to get the landlord to give as long a time as possible before the tenant must leave. We also attempt to get the landlord to accept a new nominated tenant, with an incentive payment (if the property is suitable).

The landlord is reminded of the cost of evicting the tenant in terms of court costs, voids etc. which can amount to 25% or more of an annual rent. We also point out new regulatory requirements e.g. Right to Rent (checking immigration status) is now an issue for landlords taking on new tenants, as well as new requirements around Section 21 notices and Retaliatory eviction.

For family or friend exclusions, detailed discussion takes place with the applicant and excluder, to try to extend the stay whilst they and we source alternative accommodation. This is usually going to be better than having to move into a B&B room, sharing facilities etc. We also make use of Relate mediation services to resolve family difficulties.

Applicants are advised (if appropriate) of the likelihood of being accommodated outside London/Harrow.

Team Managers monitor individual officers housing advice prevention targets (HAPI's) to ensure that prevention work is being carried out.

Team Managers hold regular one-to-ones (bi-weekly) with officers to review cases and discuss issues and try to find new options to prevent homeless.

Limiting homelessness through thorough scrutiny of applications

Housing Advice & Assessment Officers are required to establish clear proof of homelessness before requesting emergency accommodation.

Those in rented accommodation are required to provide their Possession order and Bailiffs warrant. If an applicant is a licensee and being excluded, the Housing Advice & Assessment Officer is required to speak to the excluder to establish homelessness.

The Housing Advice & Assessment Officer (HA&AO) is required to check ID for all homeless applicants to ensure that they are eligible. Documents checked are passports and/or birth certificates and, if applicable, (e.g. EEA Nationals from outside the UK) provide proof of current employment to establish eligibility.

The HA&AO needs to be satisfied that applicant has a priority need, either through having dependent children or vulnerability. Documents checked to establish this, include child benefit and CTC award letters, bank statements which show these awards and supporting medical information.

The HA&AO checks bank statements for the last 2 months, utility bills and benefit award letters to ensure that homeless applicant has resided at the accommodation that they have stated on their application form. The HA&AO is required to make enquiries and investigate intentionality for all homelessness cases.

Prior to putting a case through to the Team Manager for acceptance, the HA&AO is required to carry out an Experian check to establish if applicant is currently linked to any other addresses. If they are, further investigation is required.

The Team Manager checks and authorises/rejects all cases put forward for emergency accommodation placement, and also has to approve before formal notification of a decision on an application (of acceptance of the full homelessness duty, or other finding). The Team Manager checks Intentionally Homeless (IH) decision letters to ensure that they are of a standard that will stand up to legal scrutiny and that the notice period given for household to vacate emergency accommodation period, is reasonable. (A finding of Intentionality doesn't necessarily save the council any money as Children Services has to accommodate the family until a long term housing solution is found. So where IH may be an issue, a discretionary offer of accommodation outside London is often made at an earlier stage, to try to avoid the lengthy and costly application, investigation and accommodation involved in IH decisions. It is also better for the family/children).

Senior Team Managers carry out spot checks on households being put forward for Emergency accommodation and acceptances.

Reducing the need for expensive B&B accommodation (offering and encouraging alternative accommodation before homeless duties or emergency accommodation is needed)

Approximately every 2 weeks there is a county court bailiff day that results in multiple evictions from private rented accommodation on the same day. (Currently there are often 2 eviction days a month with an average 13 evictions on each, but it can exceed 20. We anticipate at least 330 such evictions this year).

Applicants are offered the opportunity to find their own accommodation, with financial assistance as appropriate (deposit, rent in advance and administration fees, subject to their income and savings). They are also advised of the likely gap between Housing Benefit entitlement - HB (determined by Local Housing Allowance - LHA) and the actual rents; they are offered assistance to review their budget, to see how much they can contribute to the HB to meet their housing costs.

Assessment of whether they have a significant need to stay in Harrow is undertaken, and they are notified if they are likely to be housed by the Council outside Harrow or outside London. So they have an opportunity to obtain local accommodation for themselves, as an alternative.

As an alternative to Emergency Accommodation, the B&B team offer the option for applicants to make their own short term arrangements (with friends or family) for a couple of months and receive a grant of £1000 for doing this. We have had about 5 takers in the last few months. (It represents excellent vfm compared to the net cost of B&B to the Council.)

Once in B&B there is still very regular contact - an officer telephones families especially those who have been placed for over 6 weeks in shared accommodation. Families in shared B&B are offered self-contained accommodation where available outside London that they can use as emergency accommodation or long term temporary accommodation. The officer reiterates that they need to be looking for their own accommodation, that we can help finance the move and that they are extremely unlikely to be offered anything in Harrow.

The officer also checks that the family are still in B&B and asks questions about work, medical and education needs to ascertain if they have a priority to stay in Harrow/London.

Appeals against our homelessness decisions

All homeless applicants have the right to a review of decisions we make. We have an officer who independently assesses offers of accommodation we make in connection with homelessness duties. About 25% of accommodation we offer is withdrawn. This is usually because the customer has provided new information that indicates the accommodation is unsuitable. When an applicant refuses an offer of accommodation that is suitable, the homelessness duty ends. This decision is then reviewed, and in 90% of cases the decision is legally upheld by the reviews officer.

All other negative decisions are considered by a reviews officer; for example a finding of intentional homelessness or a decision that an applicant does not have a priority need. 118 reviews were requested in 2015/6, and two thirds of these were upheld. There is a balance between making tough decisions, but then having those decisions overturned on review or by the courts. If too few Review cases are overturned, this suggests the original decisions may be too “weak”. If too many are overturned, this suggests original decisions may have been poorly investigated.

Nudge Psychology

Customers still fail to appreciate the very limited options we can provide to families becoming homeless. This is in spite of them being repeatedly advised by their caseworkers that they will not receive social housing as a result of their homelessness, and any accommodation we can provide is likely to be outside London. This message has been reinforced through leaflets, newspaper articles etc. We’re moving to even more repetitive messaging and we’re seeking advice on “nudge psychology” to improve communicating this message. (Social housing is now only available for homeseekers in Band A and A+ with the most severe housing need. Homeless applicants are Band C)

Every contact with Housing Needs and enquiry about rehousing will contain the message that families will not get social housing in Harrow and private rented accommodation outside London is likely to be the outcome of homelessness.

We know that in cases when families have exhausted the homelessness process and reject the “suitable” accommodation outside London that we can offer, they sometimes are able to find accommodation for themselves. So we need to get families to try for this before they become homeless and stay in shared Bed & Breakfast accommodation for months. (Applicants can choose accommodation that we couldn’t offer, do a deal themselves with a landlord that pan London agreements prevent the council from doing, and/or consider a wider area that they had previously rejected.)

Pressure from other services / advocates

Unfortunately sometimes clients are advised that they have the right to obtain local and/or social housing, and that they should hold out for it. We recognise that we may need to do more work with internal colleagues and external partners to help them understand the current situation better (i.e. that there is no realistic prospect of affordable housing in Harrow for many households) and to help manage customer expectations.

We work closely with Children's Services, who often have to accommodate families that have turned down suitable accommodation and for whom no further housing duty exists. We attend team meetings to explain what housing options are available, and have a monthly joint liaison meeting with Children's Services.

Improving alternative housing options – the Out of London Team

Harrow is largely dependent on the Private Rented Sector to meet housing need which is now unavailable/ unaffordable for those on low to average incomes in Harrow and London. The Councils Temporary Accommodation (TA) Allocation Policy and TA Procurement Strategy have identified that more than half of all homeless applicants may now need to be housed outside Harrow. As an example of the problem, a couple with 2 children earning £40,000 per annum (an above average income) would still be entitled to some HB to pay rent on a private rented flat in Harrow. But as HB is roughly £200 per month below actual local rents, the family would need to top this up from income that the HB system disregards as it is reasonably needed for their other living expenses. See strategies:

http://www.harrow.gov.uk/download/downloads/id/7721/ta_allocation_policy-1_dec_2015

http://www.harrow.gov.uk/download/downloads/id/7720/ta_procurement_strategy-1_dec_2015

Harrow was one of the first London boroughs to start helping families move outside London. We still have difficulty coordinating the whole process of identifying suitable applicants, procuring suitable property in appropriate locations and supporting families with the move. All of this has now been made considerably more difficult because of recent litigation and out dated unrealistic legislation which has not been amended to take account of the government's welfare reform agenda.

This new initiative to bring together all staff working on this into an 'Out of London' team should significantly increase the number of successful moves, and families will have a clear understanding of the help that we can provide.

Other Harrow Initiatives

Harrow has always been in the forefront of developing new initiatives to assist households facing homelessness. Over a decade ago Harrow pioneered the housing options approach to homelessness.

- a) We were one of the first councils to undertake a thorough review of the way we interacted with our customers facing homelessness and developed Enhanced Housing Options.
- b) We were the first London borough to develop a social lettings agency (Help2Let) that has been copied by many. Initially it was able to generate an income by offering services to landlords and enabled us to stop using B&B. But the market has changed so fundamentally, that this is no longer possible. However the “brand” still gives us an advantage compared to our neighbours.
- c) We developed a voucher scheme to assist single homeless (non statutory) applicants, which has now been adopted by all our neighbours in West London Housing Partnership. (It is funded from DCLG grant for single homelessness)
- d) We were one of the first councils to offer accommodation outside London, and we are now the first council to be developing partnerships with councils (outside London) with excess social housing to be able to make binding offers of this accommodation. We are also the first council to use our services to link families into employment in their new area.
- e) We initiated a prospective tenants’ training course to help them obtain private rented accommodation and understand their rights and obligations. This has been widely imitated. We have now added training for single homeless households.
- f) Harrow, jointly with AHAS (Association of Housing Advice Services) and funded by the West London Partnership, developed an affordability methodology and report in the run up to the introduction of the household benefit cap. It has actual costings/data and is useful in deciding on housing options, and helps prevent challenges on affordability. It has been widely adopted.

Partnership Working

The Head of Housing Needs is joint chair of AHAS (a pan London Housing Needs managers group) and chairs the West London Housing Partnership Housing Needs & Homelessness group. Through these, we work closely to develop best practice in homelessness sharing success and learning. Harrow staff run workshops on prevention, affordability, Help2Let both in London and nationally etc.

We hold regular landlord fora to keep in touch with our main providers, and reach out to new landlords. The aim is to ensure landlords are up to date with the law to

ensure good standards of management. We also use the opportunity to find what services landlords want from the council, and to promote our various Help2Let products.

We are currently working on developing a joint West London service to procure accommodation and resettle families outside London

We work closely with Housing Benefit service on the allocation of Discretionary Housing Payments, Welfare Benefit changes etc..

We have a joint panel with Children Services looking at accommodation issues for families for whom the homelessness duty has ended (because they are not eligible or refused suitable accommodation or are intentionally homeless).

We also coordinate with all London Councils on the prices we pay for emergency accommodation and private rented or leased temporary accommodation in London.

Future Pressures and Concerns

- 1) Following reorganisation of the council's Housing Benefit service, assessment of new claims has been taking 8 weeks. This is leading to rent arrears and makes landlords avoid benefit dependent tenants even more. Applications can now only be made online and there is now no one in Access Harrow or HB service to help, or offer advice on claims. For our tenants in emergency accommodation we are no longer able to tell if a customer has submitted a claim. (Tenants in our emergency and temporary accommodation have to pay rent). We estimate 40 to 50% are now not completing applications. To combat this, Housing Needs is having to employ a new benefit officer to undertake calculations to advise customers what their weekly contribution to the rent will be, and to ensure HB claims are made.
- 2) The next round of benefit cuts in the form of reductions of the overall household benefit cap starts in September. This reduces total benefit for non working households from £26,000 to £23,000 p.a. in London and £20,000 outside London. In work benefits are also effectively being cut. The amount private tenants can claim in Local Housing Allowance towards their rent is now frozen for 4 years to 2020; this is in spite of the fact that private sector rents are experiencing double digit annual increases in London.
- 3) Legislation change: the government has indicated it is going to be legislating to increase the duties on local councils to homeless households, and will extend the help we must provide to all homeless households. Currently single people without dependent children in reasonable health are only entitled to be given advice. The government accepts extra resources will be needed, but it is unlikely to provide sufficient extra funding, and there is simply not enough local accommodation to meet the needs of current statutory homeless households without extending duties to far more people. The Crisis Independent Report on Homelessness which includes such recommendations

is available online – see link. ([The homelessness legislation: an independent review of the legal duties owed to homeless people](#)).

- 4) The government has indicated the subsidy arrangements for Temporary Accommodation (TA) will change from April 2017. But the details have not been announced. Although there may be more resources set aside for this initially, it is likely the amount any local authority receives will be frozen, possibly based on accommodation used on 31st March this year.
- 5) The impact of government changes to social housing such as Right to Buy for Housing Association tenants, plus sales by councils to pay for this, is likely to reduce the supply of social housing further. We also expect to see more Housing Association properties let at, or near market rents meaning they are unaffordable for many families. Our regeneration programme for the Grange Farm Estate is also impacting on the supply of our stock that can be used as TA in the future.

Supply Issues

A separate report will outline the initiatives that we are undertaking to increase the supply of accommodation for homeless households.

Jon Dalton

Head of Housing Needs

May 2016

Appendix 1a - Comparative Homelessness activity data

1. Council Housing Stock

Harrow Council rented stock currently approx. 4860 homes.

West London Boroughs		
Dwelling stock: Number of Dwellings by Tenure and district as at 1 April 2015 (Table 100)	Local Authority (incl. owned by other LAs)	Registered Provider
Brent	8250	17020
Ealing	12530	10620
Harrow	4880	4070
Hammersmith & Fulham	12380	13180
Hillingdon	10050	7390
Hounslow	13090	7820
Kensington & Chelsea	6810	12960

<https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

Other comparators: Kingston-Upon-Thames, Redbridge and Sutton

Other comparable boroughs		
Dwelling stock: Number of Dwellings by Tenure and district as at 1 April 2015 (Table 100)	Local Authority (incl. owned by other LAs)	Private Registered Provider
Kingston- Upon-Thames	4790	2610

Harrow	4880	4070
Redbridge	4510	4810
Sutton	6010	5080

2. Right to Buy

Half of our 10,000 homes have been sold since RTB was introduced in 1979:

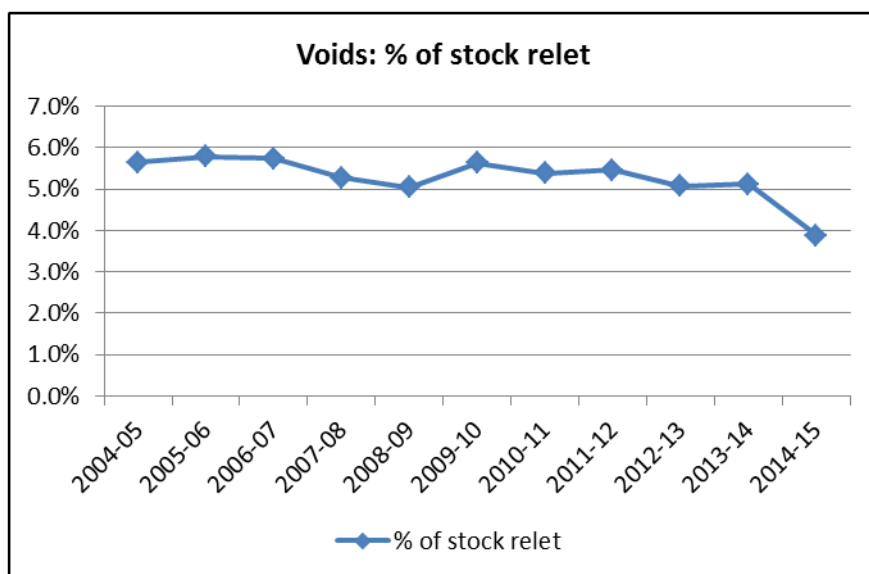
Year	1979-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
RTB Sales	4010	0	14	36	37	34

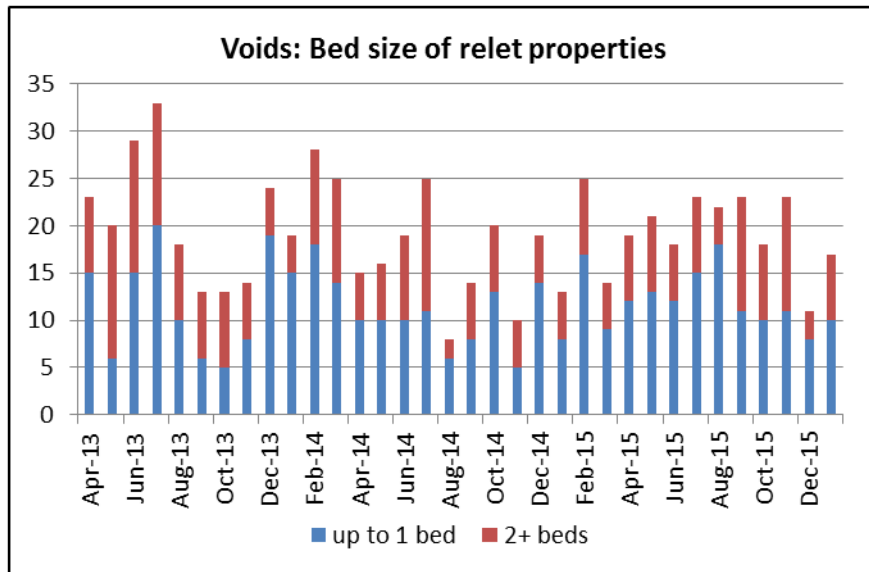
Many RTB homes are then let as private rented accommodation, which has an impact on HB and on turnover and social cohesion on estates. Currently 46% of leaseholders are non-resident.

3. Voids & Lettings

We have a low turnover of stock. In 2014/2015 48 of our own units were used for TA and 151 properties were let but only 53 were family size. Of the 98 properties that were 1 bed or bedsits/studios 42 were Sheltered Housing and 56 general needs.

	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
No of properties relet	297	299	294	268	255	285	272	272	252	253	191
Stock	5262	5175	5122	5089	5067	5064	5059	4983	4965	4951	4915
% of stock relet	5.6	5.8	5.7	5.3	5.0	5.6	5.4	5.5	5.1	5.1	3.9





4. Housing Needs

As at 31 March 2016 in Harrow:

- 286 families are in B&B (including 507 children and pregnant women)
- 196 families in Emergency & Temporary Accommodation have been placed outside of Harrow (59 of these are in B&B)
- 104 households with children/pregnant women have been in B&B for more than 6 weeks
- The average cost to Harrow is £10.5k pa per household
- Spike on 'bailiff days'

The West London picture at the end of Quarter 3 (Dec 2015) is as follows:

- Temporary Accommodation numbers are down except in Harrow & RBKC
- B&B use is down except in Harrow & RBKC
- the number of families in B&B is slightly down except in Ealing, Harrow & RBKC
- the use of nightly paid self-contained TA is significantly down (from 1548 to 1338) except in Harrow, Hillingdon & RBKC
- prevention & relief is up (mainly due to a large increase in prevention – remain in home in Ealing)
- there has been a big increase in acceptances (from 863 to 1039)
- there has been a big increase in acceptances due to end of AST (from 401 to 517)
- the number of families in B&B for > 6 weeks is up from 107 to 178 (down in Brent; still none in H&F and RBKC).

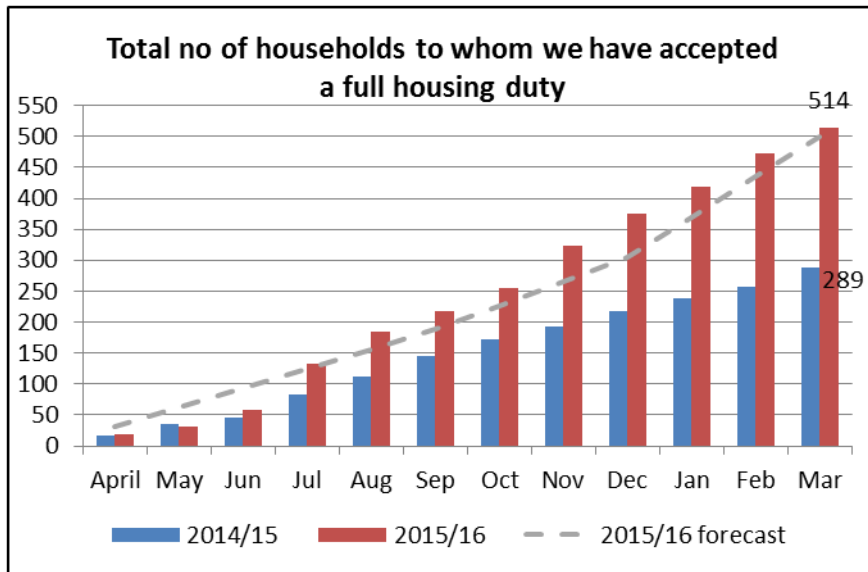
**Local authorities' action under the homelessness provisions of the 1985
and 1996 Housing Acts (financial year)**

2014/2015	Numbers accepted as being homeless and in priority need	Number accepted as being homeless and in priority need per 1,000 households	Eligible, homeless and in priority need, but intentionally	Eligible, homeless but not in priority need	Eligible, but not homeless	Total decisions
Brent	847	7.33	63	282	377	1569
Ealing	926	7.15	106	482	458	1972
Hammersmith & Fulham	444	5.52	21	52	53	570
Harrow	280	3.15	28	28	107	443
Hillingdon	307	2.89	69	32	128	536
Hounslow	452	4.44	19	37	63	571
Kensington & Chelsea	402	5.19	90	414	218	1124
Kingston-Upon-Thames	222	3.31	12	66	120	420
Redbridge	447	4.24	154	198	319	1118
Sutton	277	3.36	35	54	57	423

Harrow	Numbers accepted as being homeless and in priority need (unintentionally homeless)	Total decisions
Q4 2015/2016	139	187
Q3 2015/2016	162	218
Q2 2015/2016	156	219
Q1 2015/2016	59	97
Total 2015/2016	516	721
Q4 2014/2015	66	95
Q3 2014/2015	73	100
Q2 2014/2015	95	135
Q1 2014/2015	46	113
Total 2014/2015	280	443

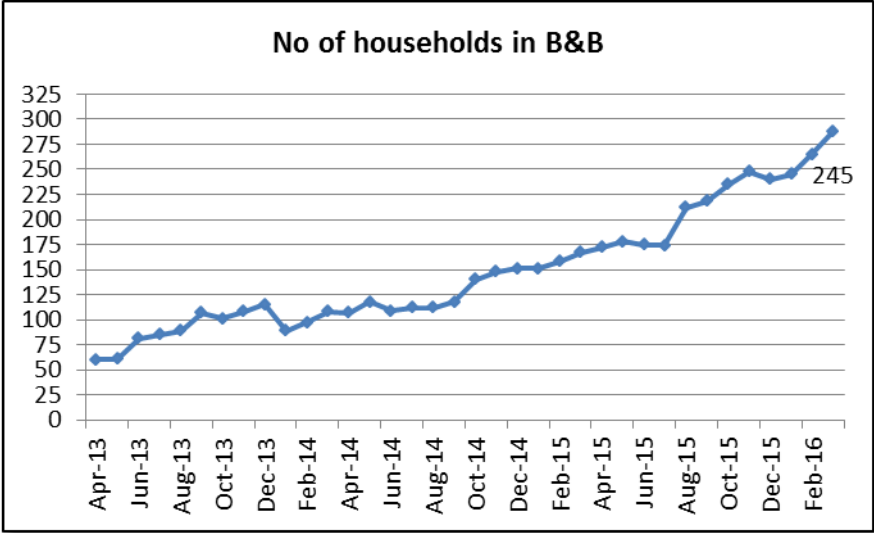
<https://www.gov.uk/government/statistical-data-sets/live-tables-on-homelessness>

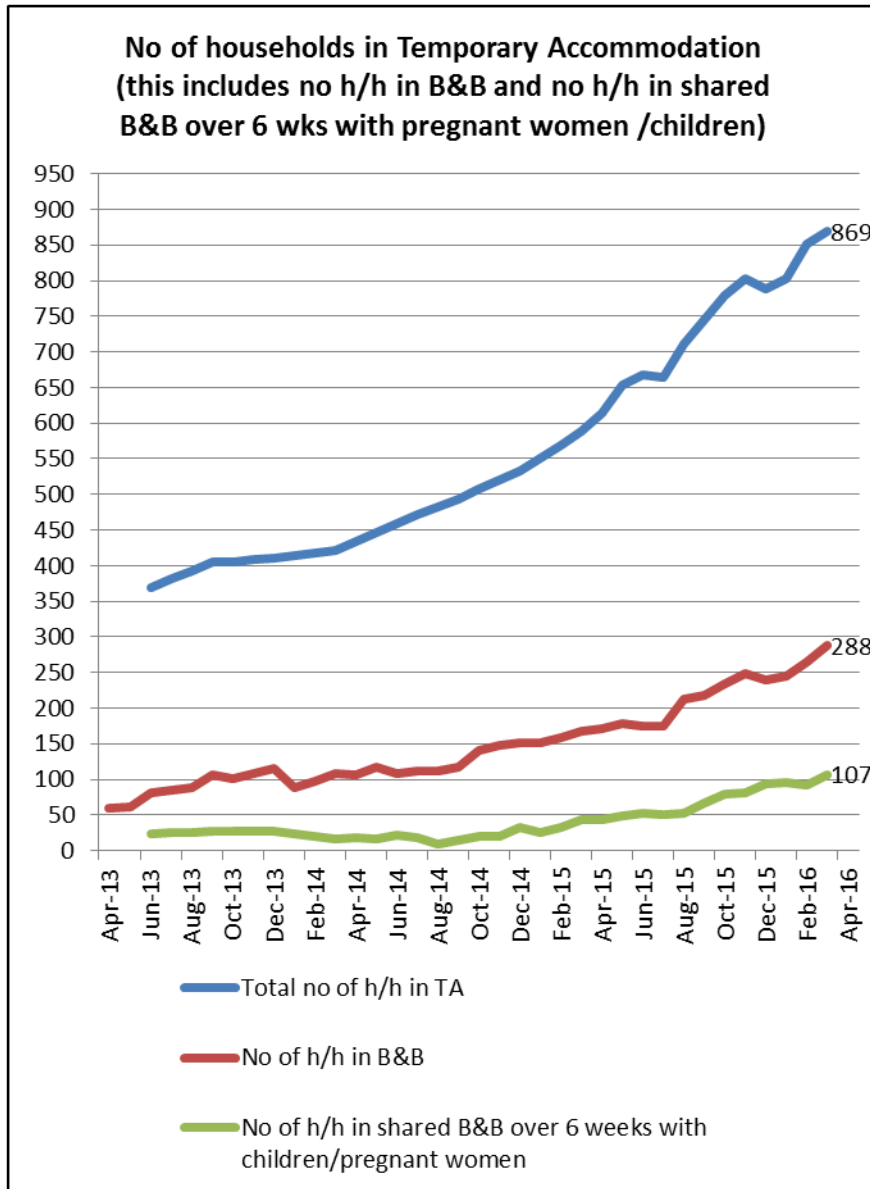
Total no of households to whom we have a full housing duty												
	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2014/15	16	35	46	83	113	145	173	193	218	238	258	289
2015/16	19	32	59	133	185	217	256	324	375	418	472	514



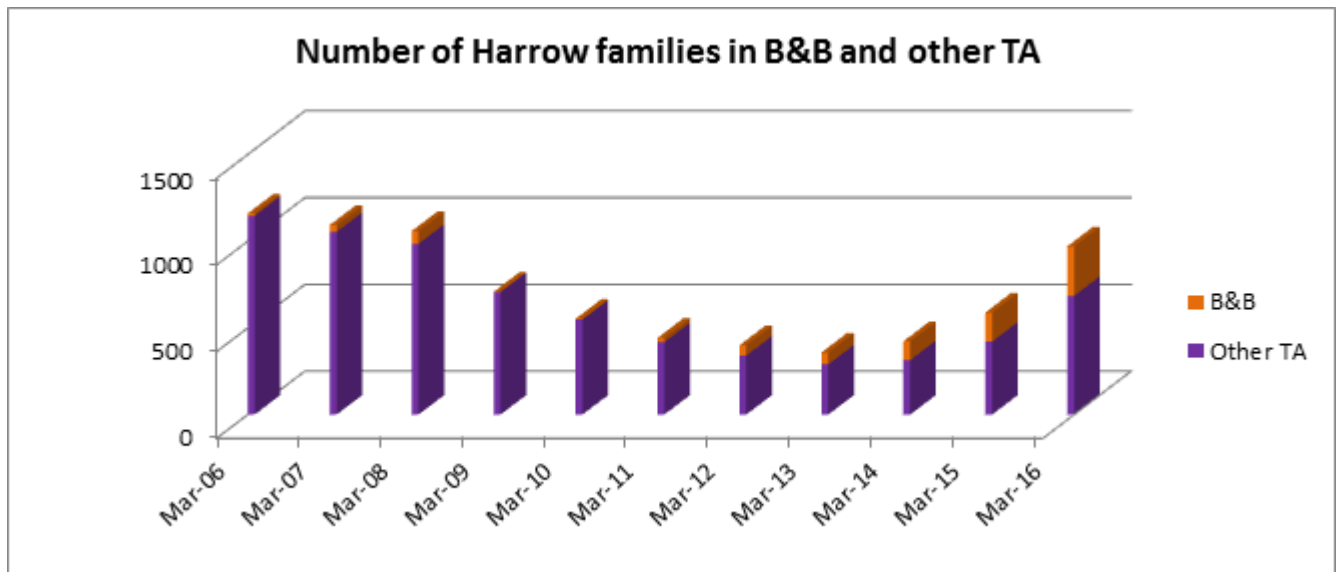
Households in Temporary Accommodation (snapshot at the end of each month)			
	Total no of h/h in TA	No of h/h in B&B	No of h/h in shared B&B over 6 weeks with children/ pregnant women
Apr-14	434	107	18
May-14	447	118	16
Jun-14	460	109	21
Jul-14	471	112	19
Aug-14	482	112	9
Sep-14	494	118	15
Oct-14	507	140	20
Nov-14	520	148	20
Dec-14	533	151	32
Jan-15	551	151	25
Feb-15	569	158	32
Mar-15	588	167	43
Apr-15	614	172	44
May-15	654	178	48
Jun-15	668	175	53
Jul-15	665	174	50
Aug-15	711	212	52
Sep-15	745	218	67

Oct-15	780	235	79
Nov-15	802	248	81
Dec-15	788	240	93
Jan-16	803	245	95
Feb-16	851	265	92
Mar-16	969	286	104





Number of Households in Temporary Accommodation											
Type of Accommm	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	Mar-15	Mar-16
B&B	14	40	73	2	5	25	60	69	108	167	286
Other TA	1,146	1,053	985	706	547	417	340	289	314	421	684
Total	1,160	1,093	1,058	708	552	442	400	358	422	588	970



5. Reasons for homelessness

Main reasons for homelessness:

- loss of an assured shorthold tenancy
- relationship breakdown, including domestic violence
- parents, friends or relatives unwilling or unable to continue to accommodate.

In 2014/2015 we reported 1426 cases of homelessness prevention and relief (1404 prevention and 22 relief). Homelessness prevention means helping people to address housing issues and avoid homelessness. Homelessness relief means helping someone secure accommodation when we've been unable to stop homelessness, even when they were not in priority need or intentionally homeless.

6. Income & Welfare context

70% of council tenants are in receipt of full or partial housing benefit

73% of tenants are aged 45 or over- an ageing profile

Figures for February 2016 for the whole of Harrow show that we currently have 478 households affected by the Bedroom Size Criteria in Harrow and 205 households are subject to the Benefit Cap. In February 2016 the council made 154 Discretionary Housing Payments and managed a caseload of 16384 HB cases and 13374 CTS cases.

The total number of people on Universal Credit in Harrow as of 10 March 2016 is 402; this new benefit started to be rolled out in Harrow on 5 October 2015.

7. PRS Rent levels

LHA rates from April 2016		
Number of bedrooms	Weekly	Monthly
Shared room rate	£87.40	£379.77
1 Bedroom (self-contained)	£185.81	£807.39
2 Bedrooms	£242.33	£1,052.98
3 Bedrooms	£303.00	£1,316.61
4 Bedrooms	£374.40	£1,626.86

Average Market Rent levels- May 2016	
Number of bedrooms	Weekly
0 Bedroom (studio/bedsit)	£208
1 Bedroom	£300
2 Bedrooms	£362
3 Bedrooms	£457
4 Bedrooms	£672