

# Communities, Housing and Environment

16th February 2016

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

## Housing Options Quarter 3 update

<b>Final Decision-Maker</b>	Communities, Housing and the Environment
<b>Lead Head of Service</b>	John Littlemore
<b>Lead Officer and Report Author</b>	Ellie Kershaw
<b>Classification</b>	Public
<b>Wards affected</b>	All

### This report makes the following recommendations to this Committee:

1. That the Committee note the contents of the report and consider it in conjunction with the report of the Head of Finance and Resources – Third quarter budget monitoring

### This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place for all -

### Timetable

<b>Meeting</b>	<b>Date</b>
Communities, Housing and Environment	16 <sup>th</sup> February 2016

# Housing Options update Quarter

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 Homelessness is one of the main statutory duties provided by the council, and also one of the areas of highest spend. It was therefore requested that the Committee should be keep updated on a regular basis of the key work of this team, and the amount spent on temporary accommodation.

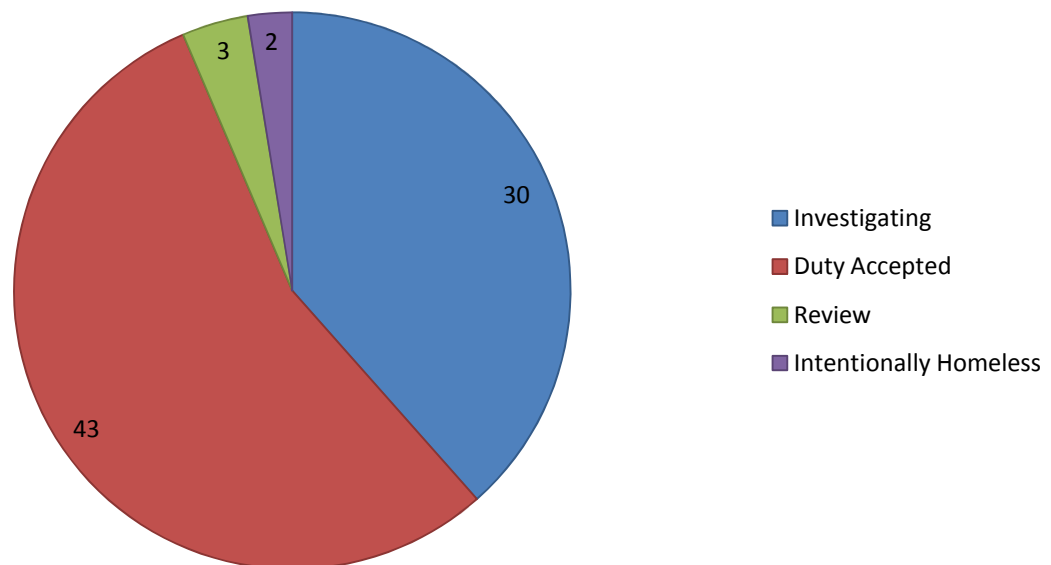
## 2. INTRODUCTION AND BACKGROUND

### 2.1 Use of temporary accommodation

2.1.1 The number of people in temporary accommodation (TA) is still rising, though not in significant numbers. There is still a high proportion households within this number to whom the council owes the main housing duty, though 13 of these are under offer through the housing register and private rented properties sourced through the council's Homefinder scheme and are awaiting a tenancy start date. The current split of people in temporary accommodation is shown below;

Investigating	Duty accepted	Review	Intentionally homeless	Total
30	43	3	2	78

**People in Temporary Accommodation by Investigation Stage**

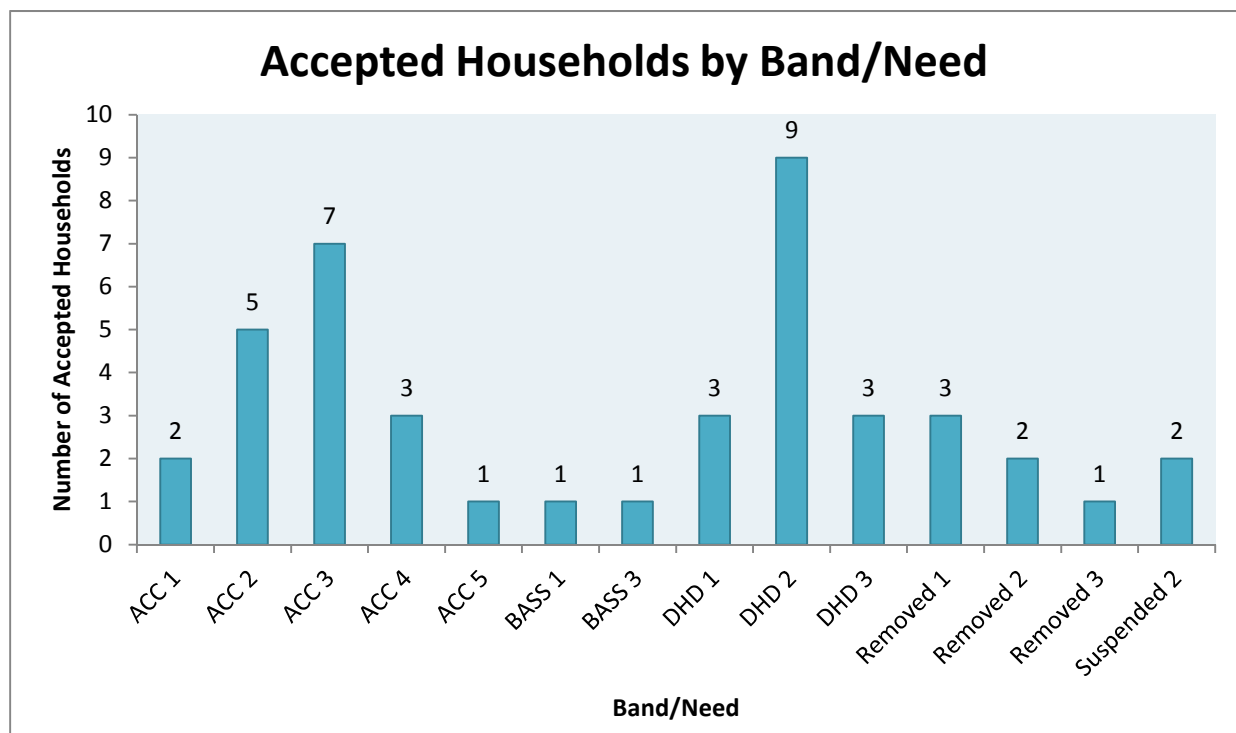


2.1.2 In addition to the figures above, there are a further sixteen households owed the main housing duty in longer term temporary accommodation including Magnolia House, Sanctuary units and Lily Smith House, which are either at low or no cost to the council. It should be noted that all of these figures are a snapshot as at the 9<sup>th</sup> February.

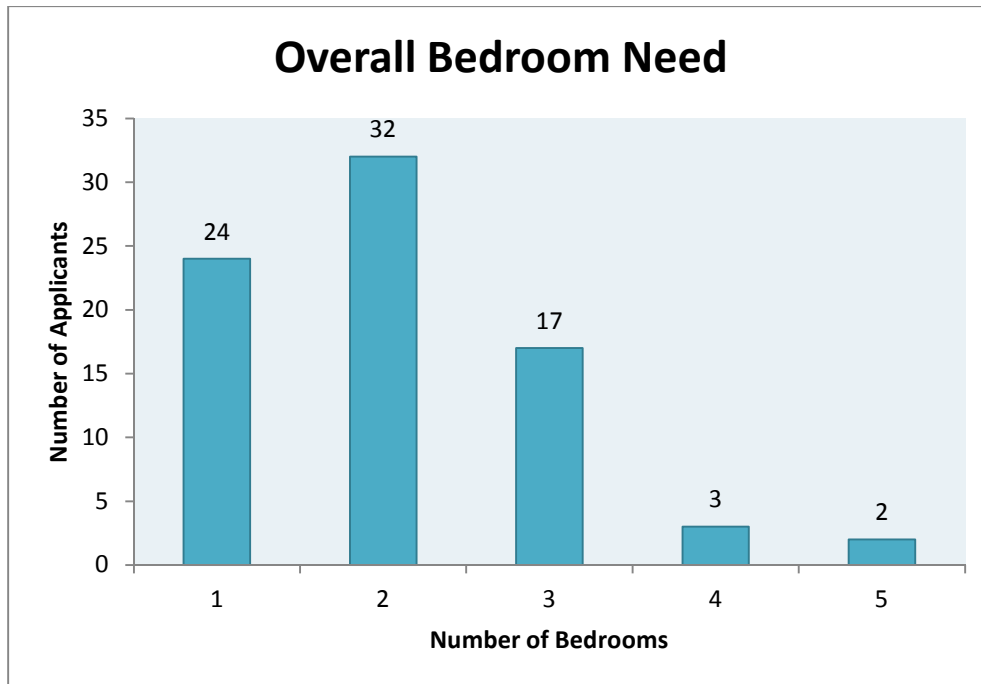
2.1.3 For those who have left temporary accommodation between October and December, the average length of stay was 55 nights. This is significantly lower than in other quarters, and is due both to the prioritisation of cases in TA being investigated and the release of a large number of properties via the housing register.

## 2.2 Households in Temporary Accommodation

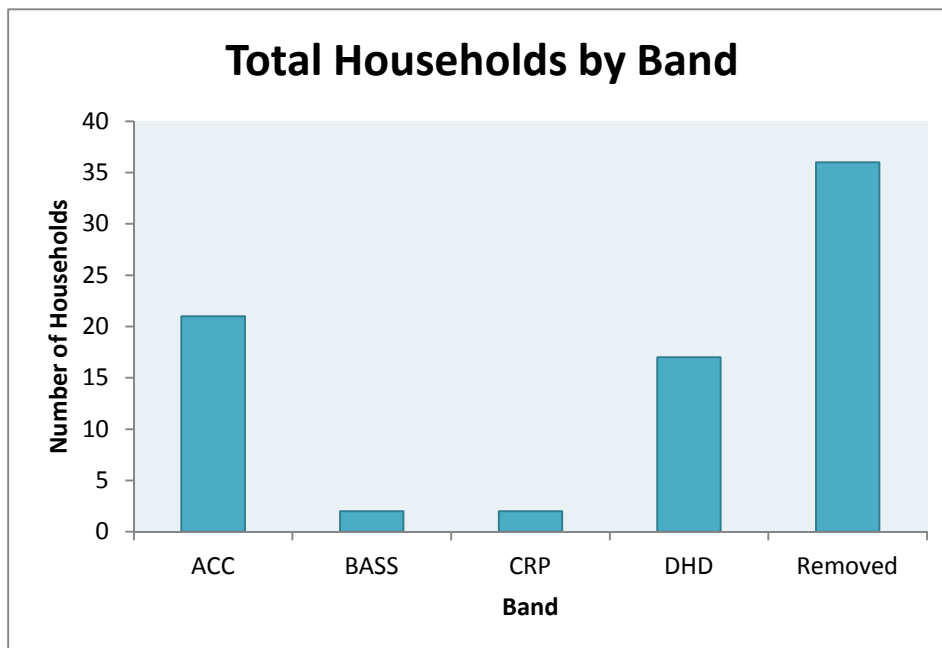
2.2.1 The breakdown of duty accepted households in TA by band and bedroom need is shown below.



2.2.2 As well as the figures above, there are a number of households in TA whose cases are still under investigation, and have not yet been banded. The overall bedroom need, taking into account all household is shown on the following page. This shows that 1 and 2 bedroom properties are in the most demand, though by far the highest need overall is still for family accommodation.



2.2.3 Overall need by banding is shown below.



This shows that there is still a high number of working people in temporary accommodation who have so far been unable to find an affordable property to move on to. This has been a trend throughout the year.

## 2.3 Financial information

2.3.1 In this quarter £330,387.47 was spent on temporary accommodation. Of this, a proportion is recoverable either through housing benefits or directly from the customer.

Quarter recoverable costs	Recovered	% recovered	Cumulative % recovered
£106536.22	£94052.25	88%	86%

## 2.4 Issues

- 2.4.1 We have one customer who has been in TA since 16/04/15. The lady is a wheelchair user and no suitable properties have become available. At 40 years old, she is well below the age that the sheltered schemes require.
- 2.4.2 We have one household that has been hard to place due to medical issues. A suitable offer of accommodation was made and rejected. Unfortunately the housing association did not follow proper procedure when making the offer, and therefore, despite the property being suitable, the council was unable to discharge the main duty.
- 2.4.3 A third household has rent arrears to a previous landlord that prevents them from eligibility to bid on the housing register. A PRSO was being sought for this household. However, despite repeated warnings and a payment plan being put in place on more than one occasion, they have remained in significant TA arrears. Due to this the council has ended its duty and the household is currently within their reasonable notice period to vacate.
- 2.4.4 There are three cases that have been in TA long term while they are under review following a negative decision. These are currently carried out by an external provider. It is currently being investigated whether it is feasible to bring reviews in house in order to have more control over the time they take.
- 2.4.5 A number of properties have recently come forward through housing providers, which has helped to decrease the number in temporary accommodation. However, some of these have been at an affordable rent rather than a social rent. Some customers have been rejected for these properties due to affordability issues.

## 2.5 Mitigation

- 2.5.1 Investigations continue to be prioritised, with those households in TA being investigated first in an effort to reduce spending.
- 2.5.2 A new Temporary Accommodation Officer was appointed in December, with the post having been vacant for four months prior to this. She is currently updating all rent accounts, putting payment plans in place for any households that have arrears, and, where necessary, discharging the relevant duty.
- 2.5.3 The council has identified two suitable properties to purchase, one for temporary accommodation and one for shared accommodation tenancies. These purchases have been approved, and work is underway to complete.

2.5.4 The Business Improvement Team has been asked to do a review of the temporary accommodation process. This will include mapping the work undertaken to see if it is done as efficiently as possible, and introducing alternative payment methods for customers in an effort to make it easier for them to pay.

2.5.5 Internal Audit has recently completed their review of the temporary accommodation service. The rating given was sound, confirming that suitable payment and monitoring arrangements are in place.

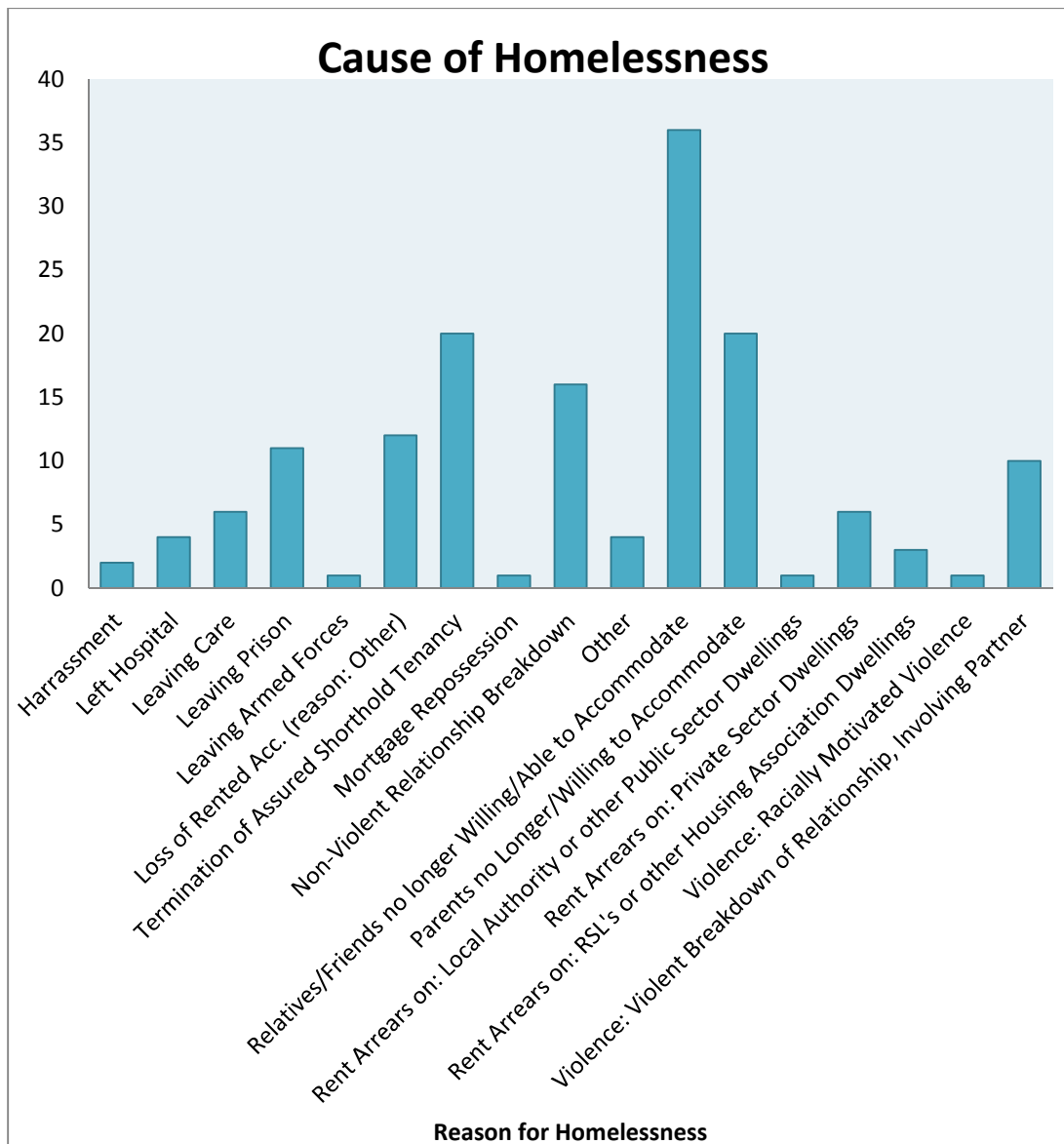
2.6 Decisions

2.6.1 Whilst decision times are still lower than target, there has been a significant improvement on the 67% achieved last quarter. The average days to make a decision has also dropped from 26 to 21.7

<b>Number</b>	<b>% in 33 days</b>	<b>Average days for a decision</b>
159	83%	21.7

The number of decisions made was slightly lower than quarter two, though still higher than quarter one. At the current rate, the number of decisions made in 2015/16 will exceed those made in 2014/15.

2.6.2 The reasons for households approaching as homeless are shown on the next page. This continues the long term trend of the highest reasons being the end of an assured shorthold tenancy for reasons other than rent arrears and friends or parents no longer being willing to accommodate.



2.6.3 A trial is planned to take a 'phone first' approach to homelessness appointments. It is anticipated that this will allow appointments to be undertaken more efficiently, whilst also making it easier for those customers who are at work during the day. Face to face appointments will still be available for customers who have a vulnerability that makes it a more appropriate method of contact. It is planned to trial this approach for three months and then review the impact.

2.6.4 To assist with the above trial, and also to help speed up investigations generally, a method of taking photographs of proofs and then uploading them directly to the website is in the process of being set up.

## 2.7 Preventions and reliefs

2.7.1 A prevention is where intervention can stop someone from becoming homeless. A relief is when accommodation is found for someone who is already homeless, but not owed the main housing duty. There were 69

preventions/reliefs in Q3. This is the highest number so far this year. A great deal of this work has been undertaken between the Street Population Officer and the Private Lettings Officer, working with landlords who have shared accommodation properties and who will accept a bond, but for whom we do not have suitable duty accepted households.

2.7.2 Based on duty acceptances and average costs and length of time in TA, preventions work so far this quarter has allowed the council to avoid costs of approximately £53,000.

2.7.3 An additional Housing Assistant post was approved in December and has been appointed to. Once the staff member is trained she will be carrying a preventions caseload and we would expect to see the amount of preventative work undertaken increase.

## 2.8 Aylesbury House

<b>Nights in quarter</b>	<b>Nights used</b>	<b>%</b>	<b>Cumulative %</b>
1104	1091	99%	97%

2.8.1 Aylesbury House is temporary accommodation owned by the council. It has 12 rooms, each with private bathroom facilities. Usage of Aylesbury House remains high and well above the projected figure used in the business case to purchase the property.

## 2.9 Private rented sector use

2.9.1 As of the end of quarter 3 there were 31 households where the homefinder scheme had been used to discharge the main housing duty. More properties had been inspected, but the landlords withdrew due to being able to achieve a higher market rent.

2.9.2 Additionally, 16 of the preventions/reliefs this year have been through utilising the council's bond scheme.

2.9.3 In October and November landlords were consulted with to find ways in which the bond scheme could be altered to attract more landlords. The top three ideas in popularity were; to reduce the term of the tenancy nomination from three years to two, to offer a six month rental guarantee, and to pay court costs if a tenant were evicted for any reason relating to their own behaviour.

2.9.4 Reducing the term of the nomination still allows the council to discharge the main housing duty, but makes the £2,500 payment more cost effective for landlords in making up the difference between the local housing allowance rate and market rents. It continues to be a cost effective scheme for the council.

2.9.5 The vast majority of customers for whom we utilise the homefinder scheme are in receipt of housing benefit, and we are able to request that



their housing benefit is paid direct to the landlord as homelessness is one of the criteria where this is permitted. Therefore, it is only in a small proportion of cases where there is any possibility of a rental claim being made. However, this offer would provide peace of mind for landlords. We would still expect that any usual work is undertaken to obtain payment from the tenant, and that the council should be immediately informed where a tenant is not making payment.

2.9.6 Evictions for reasons other than the end of a tenancy are again rare. Where this does happen, the standard court fee is £280, or £250 for possession claims online, which can be utilised in rent arrears cases. Additionally, there is a bailiff fee of £110 if the tenant does not leave when ordered to by the court.

2.9.7 In order to attract landlords of larger properties, it may be beneficial to offer a higher payment for 3 bedroom plus sized properties. Work is currently being undertaken to determine whether this would be cost effective to the council.

## 2.10 Housing Register

<b>Housing Need &amp; Lets</b>		
	<i>On HR</i>	<i>Housed</i>
2008 to 2009	2863	463
2009 to 2010	3222	709
2010 to 2011	3442	572
2011 to 2012	3674	607
2012 to 31 <sup>st</sup> March 2013	3187 (HR new policy) 1163	703
2013 to 2014	1339	618
2014 to 2015	1461	624
2015 to 2016 (up to 31 December 2015)	851	444

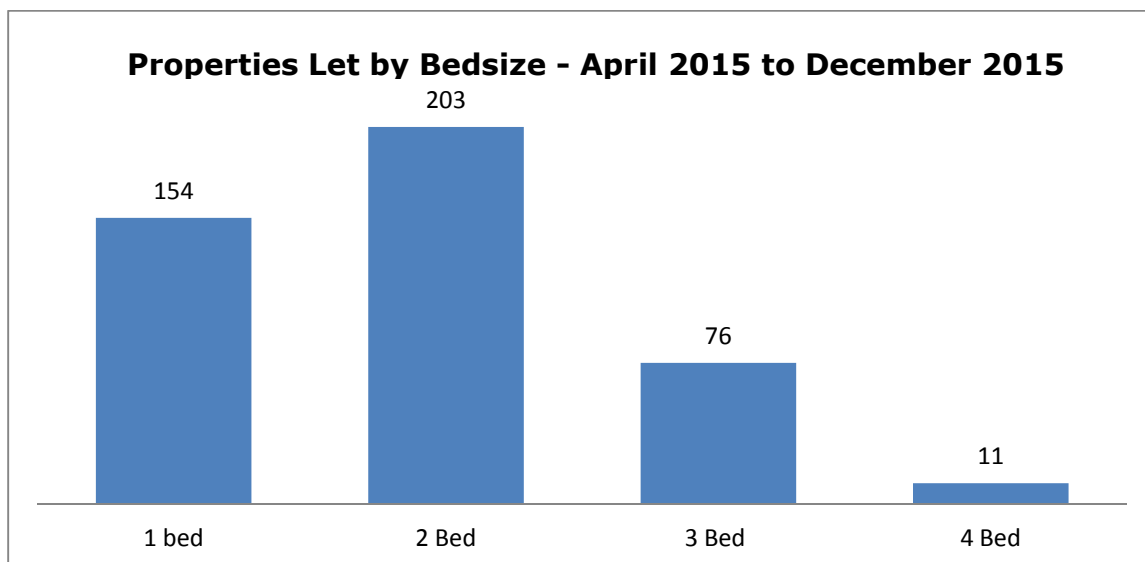
2.10.1 The number of households on the Register has fallen quite dramatically since the end of 2014/15 and the third quarter of 2015/16. This is due to the annual review of applicants on the Housing Register, of which all applicants are required to renew their application within 28 days. If an applicant fails to respond within the timeframe specified their application is removed. The number of applicants is expected to increase over the coming months with previous applicants re-applying and new applications being received on a daily basis. The number of applicants housed is expected to increase over the final quarter as the final phase of new-build completions are handed over and ready for occupation. The final year-end total is expected to be slightly lower than the previous year as a result of less overall new-build completions during this year.

2.10.2 The split between the Bands has remained broadly similar to previous years with Band A (Community Contribution) still retaining a strong element. Over 76% of applicants on the Housing Register have a 1 and 2-bed need, highlighting the requirement for smaller accommodation.

2.10.3 The Allocation Scheme is intended to promote employment or other community contribution by allocating more units per applicants to Band A. Properties advertised to applicants in Band B (Medical) try to match adapted or adaptable property to applicants with a physical disability. There are 7 applicants on the register who are permanent wheelchair users and who require wheelchair accessible housing. Four wheelchair accessible housing dwellings have recently been secured via s106 agreements on new build schemes.

	<b>HOUSING NEED</b>		<b>TOTAL Housed</b>	
		851		444
BAND A	<b>291</b>	<b>34%</b>	<b>164</b>	<b>37%</b>
BAND B	<b>59</b>	<b>7%</b>	<b>58</b>	<b>13%</b>
BAND C	<b>446</b>	<b>52.5%</b>	<b>175</b>	<b>39%</b>
BAND D	<b>55</b>	<b>6.5%</b>	<b>47</b>	<b>11%</b>
Total	<b>851</b>	100%	<b>444</b>	100%

2.10.4 The following table shows the breakdown by bed size of the properties advertised and let up to December 2015. The majority of properties advertised so far this year have been one and two bed accommodation, which accounts for 80% of the total properties advertised by registered providers.



## 2.11 Shared ownership need

2.11.1 Demand for shared ownership within Maidstone remains relatively strong. The table below shows the number of applicants registered with the Help to Buy Agent who wish to live in Maidstone, broken down by bedroom entitlement and existing household status. There are 870 applicants in total as at the end of December 2015. The majority of need is for smaller

one and two bed accommodation of which accounts for over 50% of the total need. The size of accommodation required is closely aligned with that of applicants seeking rented accommodation on the Housing Register. The average household income of those registered is £31,223.17.

<b>Existing Household Status</b>								
<b>Beds</b>	Council Tenant	Private Tenant	Housing Association Tenant	With Family or Friends	Owner Occupier	Other	<b>Total Applicants</b>	<b>%</b>
1/2	3	181	19	269	5	17	494	57
2/3	2	101	14	70	6	13	206	24
3/4	5	71	16	23	5	6	126	14
4+	2	29	3	7	0	3	44	5
<b>Total</b>	<b>12</b>	<b>382</b>	<b>52</b>	<b>369</b>	<b>16</b>	<b>39</b>	<b>870</b>	<b>100</b>

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### 3. NEXT STEPS

3.1 A report will continue to be provided to the Committee on a quarterly basis

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