



Report for:	Cabinet
Date of meeting:	25 July 2017
Part:	1
If Part II, reason:	

Title of report:	Flexible Homeless Support Funding
Contact:	Cllr Margaret Griffiths – Portfolio Holder for Housing Author /Responsible Officer - Natasha Brathwaite – Group Manager Strategic Housing
Purpose of report:	For Members to consider the proposals in ring fenced funding made available for homeless prevention.
Recommendations	It is recommended: <ol style="list-style-type: none"> 1. That Cabinet approve the proposals set out in Table 1 and Table 2 of section 4.7 in the report. 2. That Cabinet recommend to Council supplementary estimates for 2017/18 to establish budgets as detailed in the body of the report and Table 1 & 2 and be incorporated into budgets for 2018/19.
Corporate Objectives:	Affordable Housing
Implications:	<p>The Council has undertaken a significant programme of work to improve its response in relation to the prevention of homelessness in Dacorum. This has resulted in close scrutiny of the service in the past 18 months, a review of a number of staff roles and responsibilities and development of a new Homelessness Strategy to enable the Council to achieve the 10 local challenges required to attain the Gold Standard for homelessness.</p> <p>To achieve the 10 local challenges, means that the Council will meet good practice service requirements that are recognised by the National Practitioners Support Service and to achieve the recommendations made within our Continuous Improvement Plan.</p>

<p>Value For Money Implications'</p>	<p>The Council is already facing increasing service demands in advance of changes in legislation and it is vital that the service is adequately prepared and resourced for the future changes set out in this report as this is going to significantly impact service delivery. In order to adequately resource and prepare the service the government has provided ring fenced grant funding which will allow the Council to fulfil its current and new statutory requirements. Effective use of these resources will positively impact on vulnerable client groups and will avoid negative implications in a number of areas, which may include anti-social behaviour, increased expenditure on bed and breakfast accommodation, failure to adhere to casework standards and, crucially, safeguarding implications.</p> <p><u>Financial</u> Full consideration has been given as to whether existing budgetary resources are sufficient to prepare for the requirements of the new legislation. It is very clear they cannot. The Council has now received notification from the government of the Flexible Homeless Support Grant that has been allocated to Dacorum for 2017/18 and 2018/19. The funding replaces the Temporary Accommodation subsidy and is ring-fenced to enable the Council to meet the costs associated with preventing homelessness and is not isolated to temporary accommodation provision.</p> <p><u>Value for money</u></p> <p>It is important that we deliver value for money for local people accessing our homelessness support services. Increased demand requires us to explore new ways to improve efficiency within our housing advice and options service so we can target resources to improve service quality, enhance effectiveness and deliver positive outcomes for our clients. We are also committed to 'demonstrating the cost effectiveness of preventing homelessness'. By investing in preventative approaches we can support people to stay in existing accommodation.</p>
<p>Risk Implications</p>	<p>The intention of this report is to comply with new legislation and therefore avoid the risk of non-compliance. A schedule of training and awareness sessions is being prepared to prepare all frontline officers.</p>
<p>Community Impact Assessment</p>	<p>Community Impact Assessment carried out for the 2016-2020 Homelessness Strategy, not required in relation to grant funding proposals.</p>
<p>Health And Safety Implications</p>	<p>There are no direct Health and Safety implications from the strategy.</p>
<p>Monitoring Officer/S.151 Officer Comments</p>	<p>Monitoring Officer: The statutory changes are likely to give rise to a significant increase in legal challenges to decisions. Accordingly, it is important that a reserve fund/budget is allocated to fund associated legal costs required to defend challenges. This will need to be monitored over the next 12-18</p>

	<p>months to assess if permanent additional staffing resource is required in the legal team.</p> <p>Deputy S.151 Officer</p> <p>The report sets out funding received and notified from central government that is ring fenced for specific purposes. The planned expenditure will have to be contained within the grant received.</p>
Consultees:	<p>Cllr Margaret Griffiths – Portfolio Holder for Housing</p> <p>Mark Gaynor – Corporate Director Housing and Regeneration</p> <p>Elliott Brooks – Assistant Director Housing</p>
Background papers:	<p>Appendix 1 - CMT Briefing Paper Homelessness Reduction Act</p> <p>Appendix 2 – FHS Methodology</p> <p>Appendix 3 – FHS formula explanation</p> <p>Appendix 4- 2016 – 2020 Homelessness Strategy June 2017</p> <p>Appendix 5 – Service demand and performance data</p>
Glossary of acronyms and any other abbreviations used in this report:	<p>DWP – Department of Work & Pensions</p> <p>TAMF – Temporary Accommodation Management Fee</p>

1. Background - Impact of the Homelessness Reduction Act 2017

- 1.1 The incidence of homelessness has been growing significantly both locally and nationally over the last 18 months, as has been previously reported to Cabinet and the Housing and Community Overview and Scrutiny Committee. This trend shows no sign of slowing.
- 1.2 The increase in demand for homelessness and prevention services is set to grow significantly with the introduction of the Homelessness Reduction Act which came into force on 1 April 2017 and which the Council must comply with from 1 April 2018.
- 1.3 At a national conference attended by the service earlier this month, it was stressed by the CLG that funding had been released in sufficient time to enable local authorities to ensure they were ready to comply by the implementation date. Additionally representations were heard from a number of trailblazer authorities and the CLG who were impressing that it was good practice for local authorities to start working within the principles of the Act sooner rather than later.
- 1.4 The Act represents a massive change in the support that must be given to all persons presenting as homeless or threatened with homelessness including those who are not deemed to be vulnerable or in priority need. It also doubles the time that any temporary accommodation may need to be provided (at a minimum, but in some cases could be longer) and increases the household types that are entitled to temporary accommodation.
- 1.5 One key pressure will be to ensure that the Council does not face expensive bed and breakfast costs which would arise if preparations and service delivery are not adequate, something that in the past 18 months we have made significant efforts not to do.
- 1.6 The Homelessness Reduction Act 2017 will significantly reform England's homelessness legislation, please see **Appendix 1** for full details of the Act, challenges faced and the potential impact to the Council. As also explained in Appendix 1 there are a number of opportunities and recommendations for the service and the wider Council to consider in order for us to meet the requirements of the Homelessness Reduction Act 2017.
- 1.7 As is shown within Appendix 1 the additional requirements are significant and cannot be delivered within existing resources. Should the Council not adequately resource the service and use the funding as is intended, it will critically mean that the Council fail to meet its' new statutory duties and place a service already under significant pressure in dangerous territory, which ultimately means failure to meet the needs of vulnerable client groups.
- 1.8 The government is providing funding for these increased responsibilities by way of the Flexible Homelessness Support Grant which is ring fenced.

2. Flexible Homelessness Support Grant

- 2.1 In the 2015 Autumn Statement it was announced that the Department of Work and Pensions' (DWP) Temporary Accommodation Management Fee would end and be replaced by a new funding arrangement, which would provide more control and flexibility to tackle homelessness.

- 2.2 The Council has received confirmation that the ring fenced grant award for 2017/18 is £374,695.32 and £424,283.43 2018/19. The new 'flexible homelessness support grant' is a radical replacement of the tightly controlled funding currently given to source and manage temporary accommodation for homeless individuals and their families. Its purpose is to provide flexibility to authorities in providing intervention and prevention of homelessness services, moving away from exclusive funding for procurement and funding of temporary accommodation.
- 2.3 The funding allocation for the grant is paid over two years so that local authorities will know with more certainty how much they will receive under the new system. The funding allocations for 2019/20 will be announced during 2017/18.
- 2.4 The funding has been allocated according to a formula which reflects relative homeless pressures, while at the same time aiming to protect local authorities which currently have high levels of Temporary Accommodation Management Fee eligible Temporary Accommodation. No local authority will receive an annual allocation less than the estimate that they would have received under the DWP fee in 2017/18 (assuming rising levels of demand), see **Appendix 2 and 3**.
- 2.5 Homelessness pressures have been calculated by the government by adding the number of acceptances to the number of prevention and relief cases achieved by securing a private rented sector tenancy, with the following adjustments -
- to take account of differing private sector rental costs in different areas.
 - to ensure a minimum allocation level of £40,000.
 - to ensure that no authority receives an annual allocation less than it is estimated they would have received in 2017/18 under the DWP fee.
 - to allow some headroom in the first year for authorities with high TAMF eligible Temporary Accommodation commitments so that they can benefit from the added flexibility the grant offers.
- 2.6 Data from the year to June 2016 was used by the government to assess levels of acceptances and preventions, and then projected into the future based on current trends. To estimate the current funding from the DWP fee, the following categories of P1E data (a data submission Council's make to government) as equivalents to the categories of temporary accommodation that are eligible for TAMF were used -
- Self-contained, nightly paid and privately managed
 - Private sector accommodation leased by local authority or managed by a registered provider
 - Directly with a private sector landlord
- Data from the financial year 2015/16 was used, and then this was projected to 2017/18 by assuming a 12% annual increase, as in the previous 5 years.
- 2.7 The new grant gives councils more control and flexibility over homelessness budgets. It forms part of the Government's approach to tackling homelessness, helping those at risk of homelessness and those experiencing a crisis. It also sits alongside other homelessness prevention funding and the Homelessness Reduction Act, which received Royal Assent in April 2017.
- 2.8 The grant is ring-fenced for an initial period of two years and during that time may be used only to prevent or deal with homelessness. There are no new monitoring or reporting requirements being imposed at this stage, other than an amendment to the current P1E data to capture the new duties.

3. Funding proposals

- 3.1 The proposals below are made with the intention to enable the Council to meet the requirements of the Act and will make use of the Flexible Homelessness Grant. Please see below further details in relation to each proposal:

Year 1

3.2 Implementation of the Homelessness Reduction Act is likely to increase caseload by up to 26%

The Strategic Housing Service anticipated the introduction of the Act and evidenced an ongoing need to deliver requirements that previously were not fulfilled by the service. As a result a growth bid for a Homelessness Prevention Officer was approved at Cabinet in February 2017 and recruitment is currently being finalised for this role.

It is crucial that the existing 5FTE Homelessness Prevention & Assessment Officers are utilised effectively to deliver the requirements of the Act and are able to focus on the increased casework management and duties that will be implemented.

Currently these officers undertake rota duty to provide triage support to the Customer Service Unit for the initial assessment of homelessness. It is proposed that a new post 1FTE Housing Advice Officer is recruited whose primary function will be to provide support to Customer Service Unit and undertake the triage of all clients presenting with a housing need.

This will ensure timely assessment of presentations, appropriate referrals to back office of clients needing intensive prevention and achievement of the early intervention and advice requirements.

3.3 Increase in Homelessness reviews of 50%

The increased requirements in the Act mean that applicants are able to seek a review of all elements of the new duties and their contact with the Council, not just the temporary accommodation provided or the decision issued.

It is projected that reviews will therefore increase by up to 50%. As the legal requirements of conducting a homelessness review remain unchanged, it is likely that in some cases the Council could be conducting several reviews in respect of one client in relation to different elements of the Act.

It is important to note that whilst reviews are pending, temporary accommodation provision will continue.

Currently reviews are undertaken by an Officer independent from the original decision, typically the Team Leader and in some cases the Group Manager of the service. Typically the authority currently receives between 5-7 reviews each month.

An increase in reviews will have a significant impact on the aforementioned Officers ability to fulfil their primary function and potentially would jeopardise our ability to carry them out within the required legal timeframe.

It is therefore proposed that a new post of 1 FTE Independent Reviewing Officer be put in place, to undertake this function, in addition this Officer will be required to take

the lead in other functions such as service audit, scrutiny, training and work in close partnership with our Legal Department.

3.4 Provision of fit for purpose temporary accommodation, increase in demand requires increased management and maintenance of existing stock

The Council currently has nearly 100 households in temporary accommodation.

In order to ensure that there is an ongoing commitment to restricted use of Bed & Breakfast accommodation (use of which has been significantly reduced in past 2 years, which has had a positive budget impact), the Council must invest and ensure that its temporary accommodation stock is effectively managed.

Plans are already afoot to develop additional units of temporary accommodation in accordance with our New Build Programme. Additionally conversations are currently underway in respect of new procedures regarding the management of existing general fund temporary accommodation, leased from the Estates Department and proposals to extend leases to ensure that ongoing requirements can be met.

The service has meetings scheduled with local Register Providers to discuss proposals for use of their stock as temporary accommodation, which it is hoped will relieve some of the usage of HRA stock as temporary accommodation, freeing it up for its intended purpose.

It is necessary to ensure that this growing stock of temporary accommodation (within the Council's management) is managed effectively and maintained. As the number of clients placed in temporary accommodation will grow with the increased duties, it has been identified that additional management resource of 1 FTE Lead Officer and 1 FTE Officer role, will be required, to ensure the effective management (income, anti-social behaviour, health & safety, property maintenance) of the stock.

Additionally through a recent survey, it has been identified that the General Fund accommodation at 2-4 Leys Road, currently on lease from Estates requires a number of improvements. The improvements include: CCTV upgrades, decoration to ensure that the building meets the suitability requirements laid down by government for the foreseeable future. This accommodation is vital to the Council being able to fulfil its current statutory requirements and minimise use of temporary accommodation, therefore it is proposed to undertake works, cost of which is estimated at £50,000.

3.5 Increase clients in temporary accommodation requiring support

Currently the Council employs 3 FTE Education Welfare & Support Officers to provide support to all clients in temporary accommodation and those in the first 6 months of their tenancy (Council or private sector housing), to ensure that tenancies are sustained and reduce the repeat cycle of homelessness.

In addition a fourth officer was employed on a fixed term basis to provide additional support during the commencement of the Council's engagement with the Syrian Vulnerable Persons Resettlement Scheme

Currently the service supports nearly 200 households in accommodation. This service receives a small element of Housing Related Support funding from Hertfordshire County Council, this funding was reduced by 15% in 2017/18 and is likely to be reduced further in the future, having further budget implications.

It is crucial that the Council can wherever possible sustain tenancies. In order to prevent the repeat cycle of homelessness and ensure that the additional clients within the service as a result of the implementation of the Act are supported it is proposed that a new post 1 FTE Lead Officer be created and to extend the contract of the fourth Education Welfare & Support Worker mentioned above.

3.6 Increase in single homelessness and rough sleeping

It is proposed that the Council will seek guidance from specialist consultants in this area of work such as Homeless Link or St Mungo's to investigate the feasibility of implementing a Housing First model to address single homeless rough sleeping in the borough.

Housing First is an approach that offers permanent, affordable housing as quickly as possible for individuals experiencing homelessness and provides the supportive services and connections to the community-based support people need to keep their housing and avoid returning to homelessness.

Ministers and CLG are promoting this approach very strongly and have linked it very clearly with the roll out of the Act. As single homelessness and rough sleeping is an increasingly visible problem within the Dacorum area, it is considered that investigating the viability of such a scheme and what this could look like should be undertaken. Currently there are currently no facilities of this type available within Hertfordshire.

3.7 Legislative changes requiring increased knowledge and system functionality

Extensive staff training across the Housing and other key services will be required to ensure that the requirements are implemented appropriately.

Additionally the service will be required to upgrade existing systems (Civica, formerly known as Abris) to meet the data requirements of the new Act and ensure that the new requirements are effectively managed and monitored.

3.8 Ability to prevent homelessness via suitable private rented sector accommodation

Provision of suitable private sector housing is vital in enabling the service to prevent homelessness, additionally being able to increase the private sector stock available, will alleviate pressure on the housing register and the provision of social housing stock to homeless households.

It is therefore proposed to redefine 1 FTE role within the service to deliver this work, which will require job re-evaluation.

Failure to adequately source private sector stock will most certainly see an increase in allocations to homeless households to prevent 'bed-blocking' in temporary accommodation and increase in service costs in areas such as Bed and Breakfast usage.

The Service is working closely with its' current landlords and the National Landlords Association to develop a range of initiatives that will improve the standard of the private sector in Dacorum and also increase stock available.

Additionally the service has been in liaison with the Environmental Health Department and will be leading the delivery of a new Private Sector Housing Strategy (in partnership with Environmental Health Service). It is expected that there will be costs associated with implementing the requirements of this strategy and the new duties shortly to be implemented in this sector.

3.9 Supporting voluntary sector initiatives aimed at preventing homelessness

The service recognises the importance that the voluntary sector plays in the delivery of the Homelessness Strategy. It is intended that the Homeless Forum members will commission and monitor a project within the voluntary sector, which will support the Council in preventing homelessness in the borough.

It is clear that there will be a significant increase in new duties required to be implemented by the service. As a result the service feels strongly that we should continue to work closely with our third sector via the Homeless Forum and enable them to support the Council with delivery of it's 2016-2020 Homelessness Strategy, **see Appendix 4.**

3.10 Increase service challenges

The service previously had approval to draw down funds from reserves in October 2015, to set up a Homelessness Prevention Fund. This fund is utilised to meet costs related to homelessness prevention, which includes but is not limited to: payment of legal costs (an area of which there has been a significant increase), training, consultancy, emergency travel assistance, reconnection – to enable applicant to return to their local area, prevention fund payments to prevent homelessness, emergency provisions. It is proposed that ongoing provision from the grant is agreed to top up this fund.

3.11 Increased clients with medical and support needs

The Council is seeing a growth in the volume of clients presenting with medical and support needs, many of these clients are complex in nature and require extensive assessments. As a result the current 2017/18 budget provision for medical assessments is already under pressure and it is proposed that the funding will be utilised to alleviate pressure and provide additional resource for the remaining year.

NB. Funding proposed for the Year 1 in respect of new posts, is the pro-rata salaries and on-costs until the end of the financial year. It is proposed that the remaining Year 1 funding be rolled over to 2018/19.

Year 2

- 4. Implementation of the Reduction Act is likely to increase caseload by up to 26%**
Continuation of funding for year 2 of 1 FTE Housing Advice Officer post.

4.1 Increased in Homelessness reviews up to 50%

Continuation of funding for year 2 of 1 FTE Independent Reviewing Officer.

4.2 Provision of fit for purpose temporary accommodation, increase in demand requires increased management and maintenance of existing stock

Continuation of funding for year 2 of 1 FTE Lead Officer and 1 FTE Temporary Accommodation Officer.

4.3 Increase clients in temporary accommodation requiring support

Continuation of funding for year 2 of 1 FTE Lead Officer and 1 FTE Education Welfare & Support Officer.

4.4 Ability to prevent homelessness via suitable private rented sector accommodation

The Help to Rent Service currently consists of 1 FTE Private Sector Partnership Officer and 1 FTE (managed by 2 part-time posts) Private Sector Housing Officer. Provision of an additional 1 FTE Private Sector Housing Officer is proposed to enable the service to deliver additional requirements and actions defined within the Private Sector Housing Strategy currently under development and to manage the growth within the scheme, which currently has 148 tenancies.

Provision of a private sector funding, to enable further development of the sector, which will include initiatives to generate additional landlords and retain existing landlords/stock within the scheme and funding to assist the Council in delivering the requirements of the new Private Sector Housing Strategy.

4.5 Supporting voluntary sector initiatives aimed at preventing homelessness

The service recognises the importance that the voluntary sector plays in the delivery of the Homelessness Strategy. It is intended that the Homeless Forum members will commission and monitor a project within the voluntary sector for year 3 of the 2016-2020 Homelessness Strategy, which will support the Council in preventing homelessness in the borough.

4.6 Increase service challenges

Additional top up to Year 1 funding (if required), it is intended that wherever possible funds from this pot in some cases may be regenerated, particularly in the instance of provision of payments to prevent homelessness, which are then reclaimed.

This fund is utilised to meet costs related to homelessness prevention, which includes but is not limited to: legal costs, training, consultancy, emergency travel assistance, reconnection – to enable applicant to return to their local area, prevention fund payments to prevent homelessness, emergency provisions.

4.7 Summary and Financial implications of proposals

As indicated above the flexible homelessness grant will provide £374,695.32 in 2017/18 and £424,283.43 in 2018/19. Indications from government are that the grant will continue to be paid post 2018/19 but there is no indication as to what amount this will be.

The proposals are fairly heavily weighted towards providing sufficient staff capacity to meet the predicted demands that will arise from the new legislation and the continued upward trend of homelessness already occurring.

The uncertainty over funding post 2018/19 means that caution will have to be taken over the nature of new contracts of any new staff taken on, specifically that a number of posts will have to be on a fixed term contract basis.

The funding does carry flexibility, in particular that unspent funds can be rolled forward. It is also the case that it will take some time to recruit to any new posts agreed. This will allow a 'financial cushion' to be created in the sums that can be carried into 2019/20 should the future level of grant reduce. The proposals above have taken this into account.

Table 1 Summary of Proposals

	<u>2017/18*</u>	<u>2018/19</u>	<u>2019/20</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Funding Available			
Funding Allocated for the year	(374,695)	(424,283)	Not yet known
Balance carried forward		(111,472)	(118,460)
Total Funding Available	(374,695)	(535,755)	(118,460)
Proposed Expenditure			
Staffing Costs	146,224	297,295	0
Total Other Supplies and Services	117,000	120,000	0
Total Proposed Expenditure	263,224	417,295	0
Total Allocated Spend	263,224	417,295	0
Balance carried forward	(111,472)	(118,460)	

* Half yearly costs

Table 2 **Detail of Spending Proposals**

	<u>2017/18*</u> £	<u>2018/19</u> £	<u>2019/20</u> £
Funding Available			
Funding Allocated for the year	(374,695)	(424,283)	Not yet known
Balance carried forward		(111,472)	(118,460)
Total Funding Available	(374,695)	(535,755)	(118,460)
Staff Costs			
Housing Advice Officer	18,107	37,426	
Independent Review Officer	24,099	48,197	
Temporary Accommodation Lead Officer	24,099	48,197	
Temporary Accommodation Officer	18,107	37,426	
Education and Welfare Lead Officer	24,099	48,197	
Education and Welfare Officer	18,107	37,426	
Private Sector Housing Officer	18,107	37,426	
Re-evaluation of Private Rented Sector Officer	1,500	3,000	
Total Staff Costs	146,224	297,295	0
Other Supplies and Services			
Revenue R & M Improvements to Temporary Accommodation	50,000		
Consultancy 'Housing First' model	2,000		
Training & system development	25,000	5,000	
Homeless Prevention Fund	10,000	15,000	
Medical assessment costs	5,000	5,000	
Additional support for private landlords/rent deposit		50,000	
Voluntary Sector Support	10,000	10,000	
Increased service challenges including legal costs	15,000	35,000	
Total Other Supplies and Services	117,000	120,000	0
Total Allocated Spend	263,224	417,295	0
Balance carried forward	(111,472)	(118,460)	
* Half yearly costs			

4.8 Service information

Additional service information has been provided in Appendix 5, to provide further insight into demand on the service, footfall data (Customer Service Unit) and performance data has been provided in **Appendix 5**.

The data provided in Appendix 5 includes national P1E data and rocket performance information, for consideration in respect of the potential impact for growth in new duties and casework.

It should however be noted that this data should be reviewed with caution, as it is widely reported by CLG and other Homelessness organisations that current data provisions (P1E) are not fit for purpose and due to inconsistency of recording against definitions.