

**AGENDA ITEM: 7**

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Meeting	Budget and Performance Overview and Scrutiny Committee
Date	25 November 2010
<b>Subject</b>	<b>Housing and Homelessness</b>
Report of	Acting Assistant Director of Housing
Summary	This report provides information on the performance of housing and homelessness delivered by the Council's Housing Service against Corporate Plan targets and improvement actions being taken.

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Status (public or exempt)	Public
Wards Affected	All
Enclosures	None

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## **1. RECOMMENDATIONS**

- 1.1 That the Committee notes the contents of this report and make comments and recommendations as appropriate.**

## **2. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1 The Council's Corporate Plan 2010/13 includes targets for reducing temporary accommodation, providing housing applicants with access to homes in the private rented sector under the corporate objective *sharing opportunities and sharing responsibilities*.
- 2.2 The Corporate Plan also includes a target to reduce homelessness acceptances under the corporate objective *Successful London Suburb*.
- 2.3 The Council's Housing Strategy which was adopted in April 2010 includes targets to reduce homelessness and the use of temporary accommodation.

## **3. RELEVANT PREVIOUS DECISIONS**

- 3.1 Budget and Performance Overview and Scrutiny Committee 1 September 2010 - Decision Item 8 – Committee resolved that at its meeting of November 25th 2010, the Committee consider detailed reports relating to performance in the follow areas:
- Housing and Homelessness
  - Customer Services

## **4. RISK MANAGEMENT ISSUES**

- 4.1 Whilst the proposed caps in Housing Benefit will help to reduce welfare and housing related costs, there is a risk that the Council will not meet its targets to secure sufficient numbers of properties in the private rented sector following reductions to the amount of Local Housing Allowance that can be paid to households receiving benefits. This would also impact on homelessness and the numbers in temporary accommodation.

## **5. EQUALITIES AND DIVERSITY ISSUES**

- 5.1 Analysis shows that a much higher portion of Black and Minority Ethnic (BME) households become homeless in Barnet than white households. Whilst 32%<sup>1</sup> of the population in Barnet is BME, 58% of those households presenting as homeless and 57% being accepted as homeless are BME.
- 5.2 In addition, our monitoring shows that a 60% of households presenting as homeless are led by women.

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<sup>1</sup> Source: Barnet Council Business Intelligence team, GLA (PLP Low) breakdowns applied to ONS population projections supplied by the Subnational Population Projections Unit, ONS: Crown Copyright.

5.3 This means that any increase in homelessness and the use of temporary accommodation is likely to impact more on BME communities and households led by women. Housing options and housing intervention strategies will need to reflect these equalities and diversity impacts.

## **6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

6.1 There is a risk that increases in homelessness and the use of temporary accommodation could increase costs for the Council both in terms of the cost of dealing with homelessness applications and the potential cost of providing temporary accommodation. Early preventative work and advice to people potentially becoming homeless are important to continue minimising the financial, as well as the social impacts of homelessness and temporary accommodation.

## **7. LEGAL ISSUES**

7.1 The statutory duties that local authorities have to homeless people is set out in the Housing Act 1996 (amended by the Homelessness Act 2002).

7.2 Councils must also have regard to the Government's Homelessness Code of Guidance 2006 and a large body of case law when applying homelessness legislation.

## **8 CONSTITUTIONAL POWERS**

8.1 The scope of Scrutiny committees is contained within Part 2, Article 6 of the constitution; the Terms of Reference of the Scrutiny Committees are in the Overview and Scrutiny Procedure Rules (Part 4 of the constitution).

## **9. BACKGROUND INFORMATION**

9.1 The Council's Housing Service, based at Barnet House, provides homelessness prevention and housing advice services to people approaching the Council for help with housing issues.

9.2 Three key performance indicators have been identified in the Corporate Plan to monitor the performance of the Housing Service as follows:

- reduce number of households living in temporary accommodation to 1,944
- 850 homes to be made available in the private rented sector for housing applicants
- Reduce homelessness acceptance to 220 or fewer

9.3 Targets for all three of these performance indicators are not currently being met for a number of reasons. This is due to the continuing uncertainty in the housing market which has delayed work to regenerate the council's largest council estates and led to a reduction in the supply of properties in the private rented sector that are available to the Council. Fortunately three of the priority housing estate projects have or are about to commence, including Grahame Park, Stonegrove, and shortly West Hendon.

### **Households in Temporary Accommodation**

TA Type	2008/2009				2009/10				2010/11	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Regen. stock</b>	<b>873</b>	<b>912</b>	<b>941</b>	<b>959</b>	<b>964</b>	<b>954</b>	<b>938</b>	<b>962</b>	<b>923</b>	<b>924</b>
Nightly Purchased	387	323	245	209	184	166	185	150	174	193
Council Hostels	141	145	138	137	124	149	144	151	157	153
PRS leased by Council	177	193	204	189	184	168	175	192	204	212
PRS leased by HA	838	843	841	825	835	820	791	751	726	665
Other	8	8	6	10	14	8	11	9	8	3
<b>Total Non Regen.</b>	<b>1551</b>	<b>1512</b>	<b>1434</b>	<b>1370</b>	<b>1341</b>	<b>1311</b>	<b>1306</b>	<b>1253</b>	<b>1269</b>	<b>1226</b>
<b>Grand Total</b>	<b>2424</b>	<b>2424</b>	<b>2375</b>	<b>2329</b>	<b>2305</b>	<b>2265</b>	<b>2244</b>	<b>2215</b>	<b>2192</b>	<b>2150</b>

9.4 The above table illustrates how the numbers in temporary accommodation have changed since April 2008 split between households occupying council properties on Barnet's regeneration estates<sup>2</sup> and those in other forms of temporary accommodation, which comprises mainly properties in the private rented sector and council owned hostels. This shows that the number in regeneration properties has risen slightly in this period from 873 to 924, whilst there has been a significant reduction in the use of other types of temporary accommodation from 1551 to 1226, a fall of 21%.

9.5 This reduction has been achieved largely by making use of direct lettings in the private rented sector to prevent people from becoming homeless and entering temporary accommodation – this is evidenced by the fall in the use of expensive nightly purchased units from 387 to 193 as shown in the table.

9.6 The flexibility that comes with letting regeneration properties on a non secure basis is necessary to support the schemes, which depend on being able to get vacant possession of properties when they are due to be demolished. Although labelled as temporary accommodation, regeneration properties provide homes often available for some years let at low rents which are the same as for similar council properties.

9.7 To help ensure that the Council continues to make effective use of regeneration properties that become empty, an application has been made to the Secretary of State for Communities and Local Government to lease units to Barnet Homes so that they can be let as assured shorthold tenancies; properties let under this arrangement will not be treated as temporary accommodation.

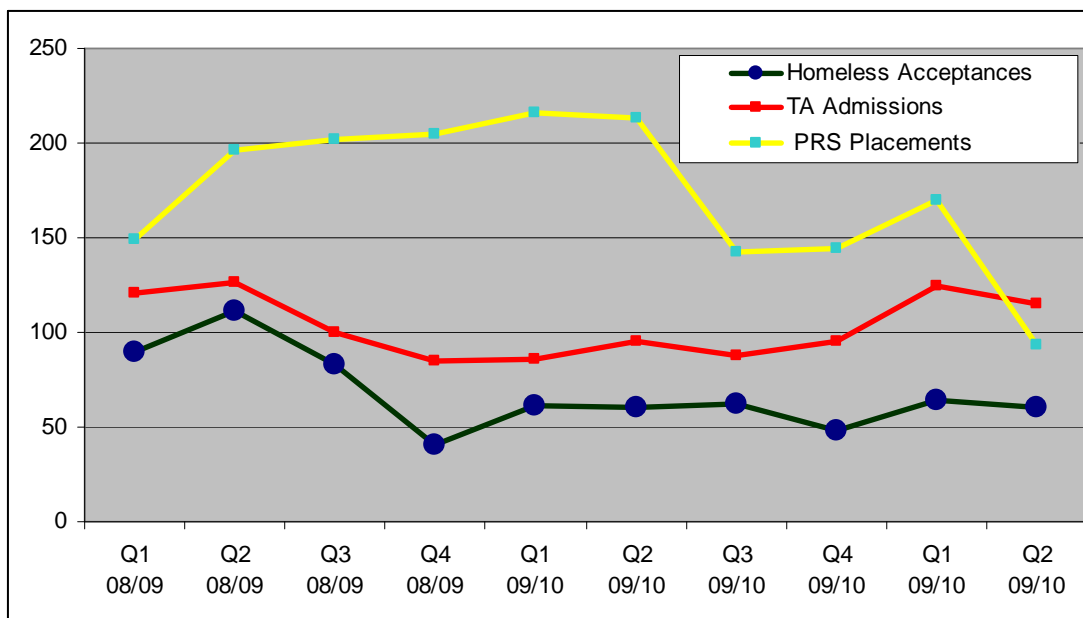
### Use of the Private Rented Sector and Homelessness Acceptances

9.8 During the last few years the Council has made effective use of the Private Rented Sector to provide homes for housing applicants. In both 2008/9 and 2009/10, the Council housed more people in the private rented sector than in the combined totals for council and housing association homes as illustrated below.

Lettings via Housing Service	2008/09	2009/10
Council Lets	367	457
Housing Association Lets	298	249
<b>Total Social Housing Lets</b>	<b>665</b>	<b>706</b>
<b>Private Rented Sector Lettings</b>	<b>749</b>	<b>715</b>

<sup>2</sup> Grahame Park, West Hendon, Stonegrove/Spur Road and Dollis Valley

- 9.9 Providing this access to the private sector has been an important component in preventing homelessness, and has helped to achieve year on year reductions in homeless acceptances from 420 in 2007/8, to 325 in 2008/9 and to only 231 in 2009/10.
- 9.10 This year has seen a reduction in the number of households that we have been able to place in the private rented sector, with only 227 placed so far this year compared to 429 for the same period last year. This reduction has been due to a changing housing market, welfare benefit shifts and the withdrawal of incentive payments to landlords to accept our tenants. This means that it is unlikely that the target to provide 850 homes in the private rented sector this year will be met.
- 9.11 The housing market remains depressed which means that there is more competition for private rented accommodation as people, particularly first time buyers, find it harder to buy homes. It has also become harder for landlords to acquire properties due to tighter lending criteria. Staff have found that in this climate it is harder to procure properties for potential tenants who often are dependant on benefits, a problem which has increased since proposed reductions to housing benefit were announced in the summer.
- 9.12 The reduced number of private sector lettings has started to impact on the Council's ability to prevent homelessness, and the numbers being accepted as homeless has now started to increase, with 124 cases between April and September this year compared with 110 for the previous 6 months. In addition, the number of people being admitted to temporary accommodation has started to increase. These trends are illustrated in the chart below:



## Actions

- 9.13 Improving the availability of private sector lettings is key to the Council's plans to minimise homelessness and the use of temporary accommodation, and the Housing Service is taking a number of actions to this end, including:
- Liaison with local landlords to discuss mitigation of the impact of changes to local housing allowances due to come into effect in 2011

- Development of more streamlined and efficient service to private landlords, to include a range of management options as landlords have indicated they would like
- Negotiation with other London Councils to reach agreement on incentives paid to landlords based on principle that payments will not exceed those paid by the host borough.
- Development of new housing allocations policy to focus on prevention of homelessness

9.14 In addition, Housing staff have been reorganised to provide holistic approach to dealing with housing applicants, with a focus on prevention of homelessness

9.15 The Council's well attended Private Landlord Forum provides an invaluable vehicle for working with local landlords to meet housing need in Barnet.

## **10. LIST OF BACKGROUND PAPERS**

10.1 Barnet Housing Strategy 2010 – 2025

10.2 Any person wishing to inspect these documents should telephone Paul Shipway, Strategy and Performance Manager, 020 8359 4924

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