

Report for: Housing, Development and Planning Scrutiny Panel -
Monday 18th December 2023

Title: Bed and breakfast (B&B) Elimination Plan

Report authorised by : Beverley Tarka – Director of Adults, Health and Communities

Lead Officer: Denise Gandy, Assistant Director – Housing Demand.

Ward(s) affected: All

**Report for Key/
Non Key Decision:** For information

1. Describe the issue under consideration.

The Housing, Development and Planning Scrutiny Panel has requested an update on the Bed & Breakfast (B&B) Elimination Plan. The B&B Elimination Plan is a requirement of our Homelessness Prevention Grant funding from the Department of Levelling Up, Housing and Communities (DLUHC) and details our plans to reduce and then end our use of B&B accommodation for residents who are homeless.

2. Cabinet Member Introduction.
N/A

3. Recommendations

The Scrutiny Panel is asked to note the contents of this paper.

4. Reasons for decision

N/A

5. Alternative options considered.

N/A

6. Background information

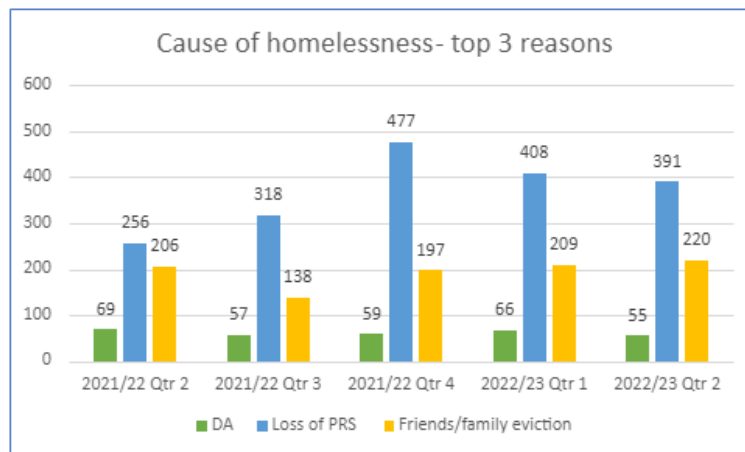
6.1 Overview

6.1.1 The Homelessness Prevention Grant (HPG) funds local authorities' homelessness prevention activities and subsidises temporary accommodation costs. Haringey has received £8.5M for 2023/24 and will receive £8.6M in 2024/25.

6.1.2 Due to increasing concerns about the number of families living in hotels for extended periods, a recent communication from the Department for Levelling Up, Housing and Communities (DLUHC) confirmed that all local authorities,

who have more than 5 families in B&B for more than 6 weeks must produce a B&B Elimination plan as a condition of their HPG funding.

- 6.1.3 Until June 2022, commercial hotels and B&Bs had not been used to accommodate Haringey homeless families for over a decade and almost all temporary accommodation (TA) was self-contained. It is only recently that placements for families exceeded the 6-week rule.
- 6.1.4 Due to lack of available supply the commercial hotels have been used as emergency accommodation and currently (as at 17th November) there are 76 families and 28 single people accommodated in commercial hotels.
- 6.2.1 Context
- 6.2.2 Following the pandemic, the private sector market has changed significantly, and London local authorities have consistently reported that they are unable to secure temporary accommodation and private sector lets on the same scale. Those properties that are secured have been at increased cost. The reduced supply has also led to the increased use of commercial hotels and B&Bs and increased TA costs. This is also the position in Haringey.
- 6.2.2 Although some hotels used by the Council have cooking facilities, typically commercial hotels and B&Bs do not have cooking facilities or separate living areas, only a bedroom and bathroom, and therefore long-term use has an impact both on families mental and financial wellbeing. Under The Homelessness (Suitability of Accommodation) (England) Order 2003, the use of commercial hotels and B&B accommodation is permitted, however, this should only be in exceptional circumstances and for families with dependent children and pregnant females, for no more than 6 weeks. A 2022 amendment to the Order now allows local authorities to place newly arrived applicants (arrival in the UK in the last 2 years) in B&B for longer than 6 weeks, but we don't currently treat applications and placements for newly arrived households differently.
- 6.2.3 In 2022/23 the number of households that approached the Council because they were homeless or threatened with homelessness increased by 7% to 4405 compared with the previous year. Proportionately the top three reasons for people approaching for help remains the same, quarterly increases in the loss of private rented accommodation are however disproportionate. This is likely to be due to the impact of interest rate increases and also concerns about the Renters Reform Bill where landlords are exiting the market before the enactment of the Act, which brings about greater regulation and the abolishment of no-fault evictions.



6.2.4 Additional pressures have also been seen due to the Ukrainian resettlement schemes, which has seen 91 households approaching for help with housing since Feb 2022. New Home Office policies for streamlined decision making and dispersal of applicants is also likely to increase demand.

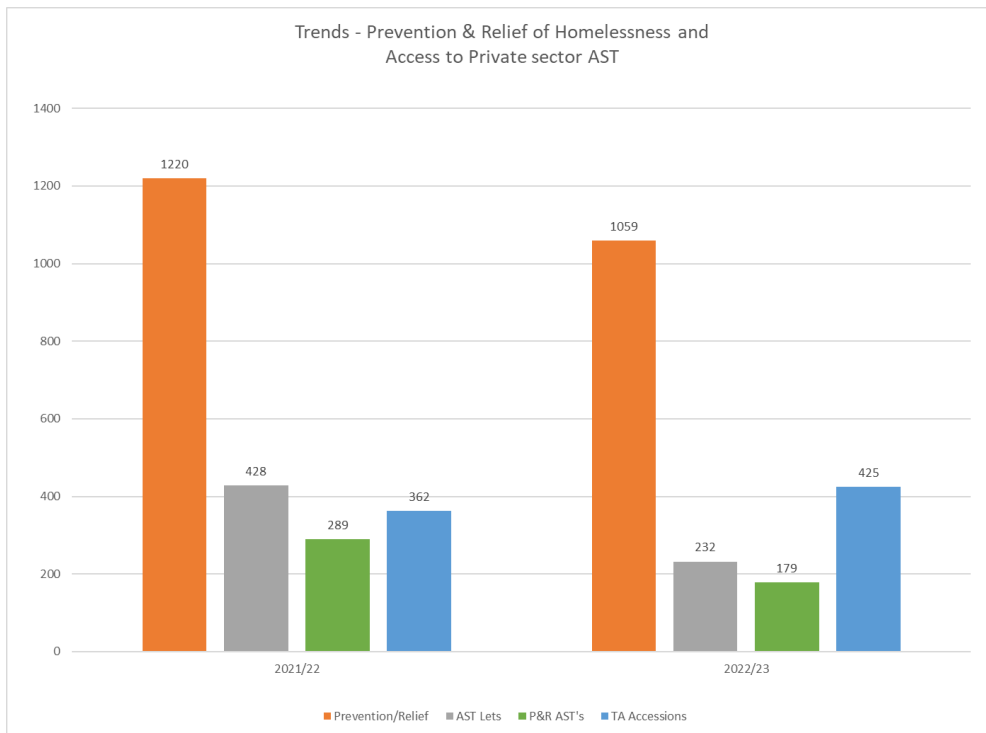
6.2.5 During the same period, due to the challenging private sector market, the number of private sector AST properties used to discharge our prevention, relief and main housing duties reduced by 46%.

6.2.6 Acquisition of private sector ASTs was until May 2023 conducted by Capital Letters, on the Council's behalf, however membership provided no local flexibility as any adjustment to landlord incentives needed membership wide agreement. On 9th May it was agreed that our membership of Capital Letters would cease, and this function would be brought back to the Council. This will provide greater control and flexibility to respond to market challenges. The table below shows the method of securing AST over the last 3 years and 2023/24 to 31 October 2023.

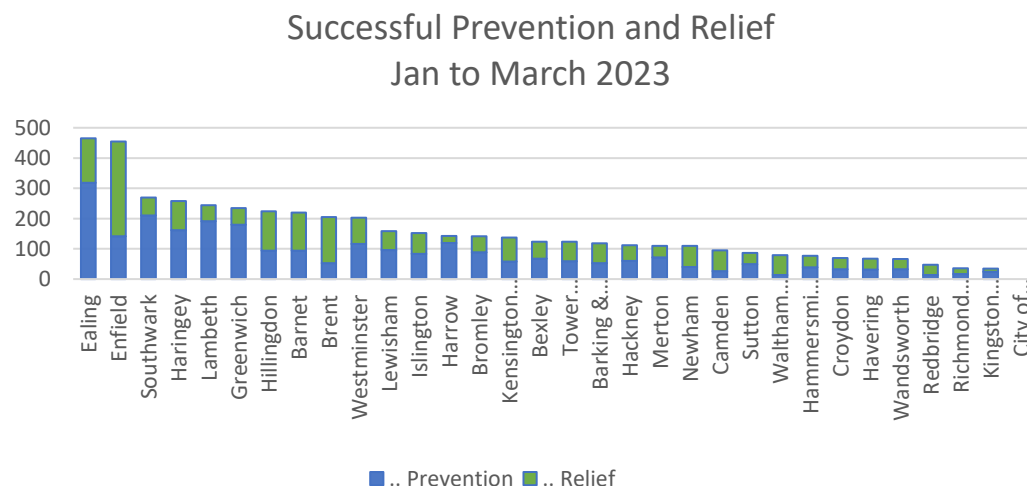
	Capital Letters	HCBS	Find Your Own	In house activity	Apex Gardens	Total	Used for Prevention/ Relief
2021/22	255	51	49	38	35	428	289
2022/23	83	43	46	60	0	232	178
2023/24	1	18	31	51	1	102	80

6.2.7 Haringey Community Benefit Society provides long term assured shorthold tenancies to Haringey's homeless households, allowing the Council to discharge its main housing duty. The current portfolio includes 252 properties. The Council was recently successful in bidding for Local Authorities Housing Fund which will provide capital grant funding for 30 affordable homes by 31 March 2024. The intention is that these will be let and managed through the HCBS.

6.2.8 Strong prevention casework activities minimised the increase (+17%) of new TA placements in 2022/23. Prevention and relief casework and interventions produced 1059 positive prevention and relief outcomes. This represented only a 13% reduction on the previous year, despite the 46% reduction in ASTs secured overall and a 38% reduction in those used to prevent or relieve homelessness for priority need households.

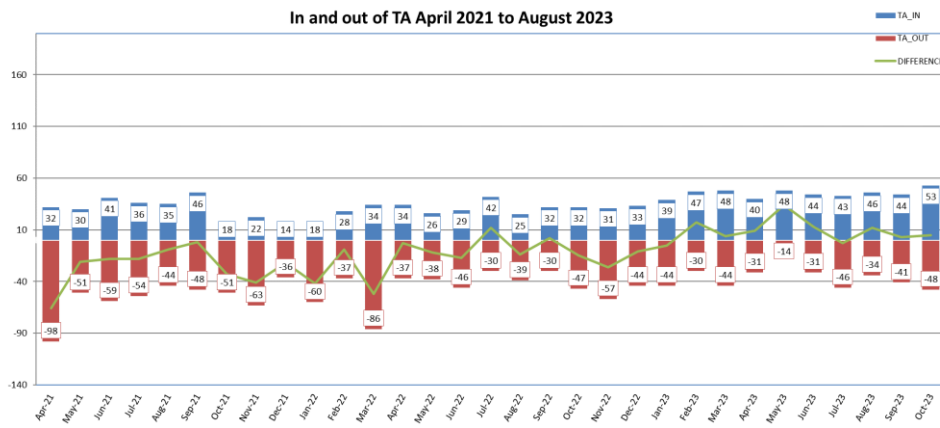


6.2.9 Q4 Local Authority statistics show that our prevention and relief work was 4th highest compared with other London Boroughs, showing continued top quartile performance.



6.3 Context - TA

6.3.1 At the end of March 2023, there were 2517 households living in temporary accommodation, 70 fewer compared with March 2022 (2601), TA numbers had been stable and were slowly reducing throughout the year however this trend reversed in February and March, which saw consecutive increases. At the end of October 2023 there were 2590 households in temporary accommodation and the average number of TA placements between April and October this year was 45, 14 more than the average for the same period last year.



6.3.2 We are currently projecting a 35% increase in new TA bookings this year and a further 16% increase next year.

6.3.3 Data collated by London Councils shows a worsening situation for procuring and retaining suitable accommodation, driving the increase in commercial hotel and B&B usage. The number of notices to quit received by 18 councils for TA accommodation was 74.5% higher in June 2023 compared to the same month a year earlier. 24 councils reported procuring 6.6% fewer private rented sector properties in June 2023 than the same month a year earlier.

6.3.4 London Council's data shows a rise in the number of London households living in Bed & Breakfast (B&B) accommodation, including for greater than six weeks. 27 authorities reported 1,674 families living in B&B accommodation in June 2023, up 375.6% on a year earlier. Over the same period 26 authorities report 989 families living in B&Bs beyond the six-week limit, an increase of 710.7% from 122 the year before (an additional 867 families).

6.3.5 In March 2023, London Council's Housing Directors agreed a 10% increase in Inter Borough Accommodation Agreement (IBAA) rates, which had not been increased collectively for some years. It is hoped that the increased rates will slow the loss of existing supply; however, it is too early to tell whether this has taken effect. It has not had any positive impact on new procurement. Projections set out in 2.9 include this recent uplift to inter borough agreed rates.

6.3.6 There are a range of TA types, with council owned units being the most cost effective. At the end of October 2023, however,

- There were 9 fewer S193s (council owned units let as TA) in use, compared with March 2023 and 53 fewer than in 2021. These are within the voids process. There will be a reduction of available s.193s on the Love Lane estate as decants are needed to allow the first phase of works to commence.
- It should also be noted that one of the Council owned Lodges (Whitehall Lodge) is due for redevelopment in January 2024 and this will lead to a reduction of 21 Lodge units.
- One of the Council hostels at Brunel walk was also decanted in 2022 reducing possible units available to occupy by 36.

- There has also been some reduction of private sector leased properties, as on renewal some landlords have decided to exit the market. This is despite the HAST programme, where a new Homes for Haringey lease is offered providing improved rates.

The table below shows the change in occupied units as at October 2023 compared with both March 2023 and the 2021.

TA type	Explanation of type	Change in Units in use - March 23 to Oct 23	Change in Units in use 2021 – Oct 2023
Hotels	Last resort when no other accommodation is available, and we have a duty to make a placement. We try to use hotels that we block book but also use commercial hotels, like Travelodge's.	+30	+96
Annexe/Emergency accommodation	Annexe is a historical term for emergency accommodation that is paid for on a nightly basis. The properties are all self-contained and families often remain for long periods of time. The properties are secured through Adam, a dynamic Purchasing Scheme.	+65	-138
Council Lodges ¹	3 Lodges for families only – Broadwater, Whitehall and Birkbeck. At BWL and WHL families shared bathrooms and kitchens. Birbeck rooms are en-suite but have shared kitchens. Used as first placement when homeless – was intended to be short term – up to 3 months but many stays are now longer.	+4	+47
Council hostels	Self-contained units held in the HRA – some are purpose-built hostels (e.g. Russell Road) and some are very large converted houses in the West 9e.g 3 hostels on Queens Ave).	0	0
Private sector leases (Council)	Private owners lease their properties to the Council usually for 3 years. During that time, we manage them, carry out most of the repairs (apart from the structure) and collect and guarantee the rent.	-33	-199
Private sector leases (HFH)	As above but the lease is between the owner and HfH. This enables us to charge LHA rents rather than rents limited at TA subsidy levels.	+17	+113
Housing Association leases	This is the same as our leases, but the arrangement is between the owner and a Housing Association, and the HA then allow us to nominate to the	-3	-27
S.193	s.193 just refers to the section of the Act under which we are providing the TA. These are Council general needs properties that we are using as TA – most are on the Love Lane Estate pending the redevelopment, but we do also use some other lets as TA when needed e.g. agreement to use one bed lets as TA for small families.	-9	-53
Net Change		+71	-161

6.3.7 The number of occupied units is also affected by the number of properties currently in the voids process. At the end of October 2023 there were 20 PSL voids, 11 HAST (HfH lease) voids and 15 hostel voids. The number of TA voids increases reliance on private sector supply and under the current climate is contributing to the use of commercial hotels.

¹ There was no increase in supply of Lodges, but more units were utilised following lifting of covid restrictions and resolved disrepair.

6.3.8 The number of Council and Haringey Community Benefit Society voids is having a significant impact on the ability to move households on from TA into a settled home and free up existing TA supply. As at November 2023 there were 272 Council general needs voids, 77 HCBS voids and 74 sheltered voids.

6.3.9 The Housing Services Improvement Plan was agreed by Cabinet on 3 April 2023. This identified voids transformation as one of the key areas of focus for the Housing Services and Building Safety service.

While overall relet times are still high due to the backlog of voids that arose linked to the impacts of Covid, the last 6 months of this financial year has seen a significant reduction in the backlog of voids.

Through the Housing Improvement Plan a number of measures to improve voids performance and eliminate the backlog including:

- Creating a dedicated team of four additional staff to deal with historic voids from August 2023
- Put in place a number of IT improvements including a voids dashboard to improve voids reporting and monitoring
- Undertook a data cleansing exercise to ensure that all current voids are true voids and ensure the information held is up to date
- Procured an additional supply chain to clear the backlog and help deal with peaks in demand. The tender evaluation for two contractors covering the east and west of the borough has been completed and contractors are due to start in January 2024.
- Recruited two additional teams of operatives to deal with the backlog and deal with peaks in demand, which is currently underway and a number of posts have now been recruited to
- In-house Direct Labour Organisation productivity is being managed and monitored more effectively
- The lettable standard has been revised, with resident involvement

6.3.10 In addition, new arrangements have been put in place with a contractor to carry out the work to the void HCBS properties – it is expected that the works to 45 of the properties will be completed in January and February 2024.

6.3.11 Based on previous Lettings outcomes, of the voids available, 100% of HCBS voids, 54% of general needs voids, and 68% of sheltered voids would be let to homeless households in TA, resulting potentially in 269 households moving on from temporary accommodation.

6.3.12 The 2022/23 Lettings Plan had projected that 639 general needs lets would be completed. Due to the void situation and some slippage in the new build programme only 317 lets were made. We are, however, expecting 188 new properties to become available for letting in 2023/24, including 131 at Walter Tull in February. This together with improved voids performance indicates a projection of 634 lets for 2023/24. This is lower than initially expected due to one new housing association development which would have delivered 55 units of accommodation being on hold.

6.4 The B&B Elimination Plan

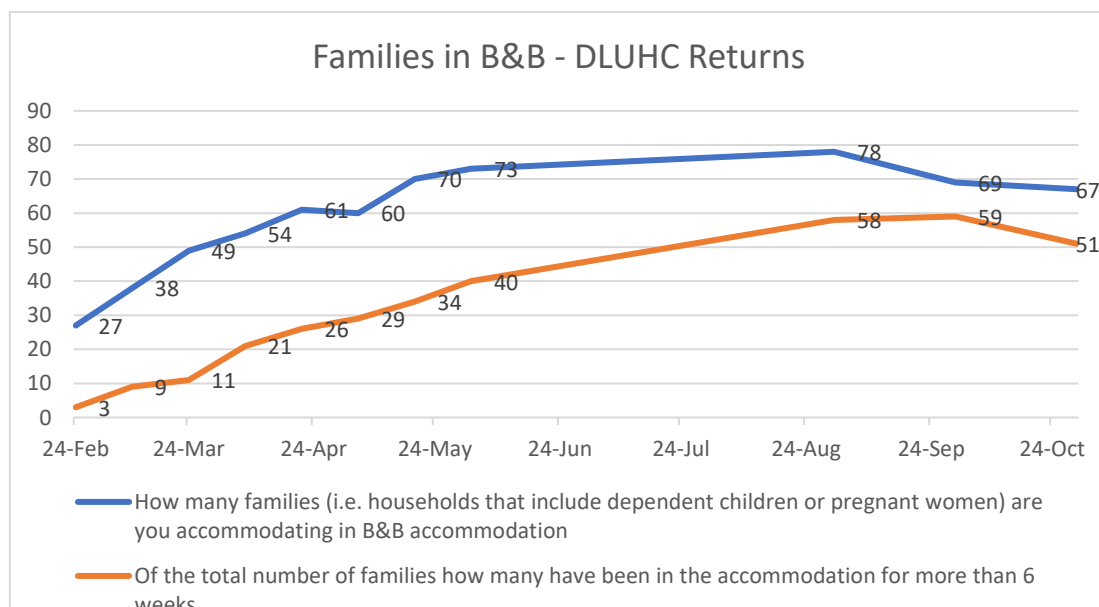
6.4.1 Along with a call for local authorities to produce a B&B Elimination plan, DLUHC issued guidance and a checklist based on good practice and learning to reduce or eliminate the use of B&B. A template accompanies the guidance to ensure all aspects have been pursued.

6.4.2 The guidance set out the need to make an explicit commitment with the support/leadership of Members and senior managers to mobilise and give momentum to the action plan. The main stages set out include a requirement to:

- I. Make a commitment end the use of B&B (beyond 6 weeks, or completely)
- II. Agree an action/work plan for delivery.
- III. Reduce placements into B&B and temporary accommodation.
- IV. Move families out of B&B within 6 weeks.
- V. Develop alternative forms of TA and settled accommodation options.

6.4.3 The Councils B&B Elimination Plan is provided in Appendix 2

6.4.4 Since February 2023 we have been reporting, the number of households with dependent children and single pregnant females housed in hotel accommodation and those who have been housed in this type of accommodation for more than 6 weeks as part of our additional homelessness pressures return to DLUHC. This information was providing initial fortnightly and monthly since August. The returns are set out below.



6.4.5 One of the actions contained within the B&B elimination Plan, involves a weekly meeting to ensure a focus on households move on from B&B. A planned move on outcome is identified and officers come together to identify and resolve any specific issues causing delays in move on. Overall, the challenge is the lack of supply of alternative temporary accommodation or private sector move on.

- 6.4.6 Despite the challenges, since April 2023, 145 households have exited B&B accommodation, however increased demand and lack of supply has meant that the overall numbers in B&B have not reduced. Of those that have exited B&B,
- 55 were rehoused in private sector tenancies, supported housing or social lets.
 - 56 were transferred to alternative temporary accommodation.
 - 10 found their own accommodation, went into hospital or custody.
 - In 21 cases the housing duty ended for another reason.
 - The reasons in 3 cases were unknown

6.4.7. As at the 15th November there are 76 families in B&B, 52 of which have been in this type of accommodation for over 6 weeks. While the number of families has not reduced due to increased demand, the number in over 6 weeks appears to have stabilised.

6.4.8 Due to the very challenging private sector market, delivery of the voids programme and new measures are needed to reduce reliance on the private sector market to provide temporary accommodation. We will continue to build on the success of the Haringey Community Benefit Society and have been successful in securing funding to support this work. New measures include the development of the Station Road site to deliver a new Lodge and the reconfiguration and extension of Russell Road hostel. However, these new measures are medium term solutions which will help us to reduce NPA use and form part of the MTFs commitment. Subject to planning, procurement and works, these are likely to become available in 2025.

7. Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes

This work links to The Corporate Delivery Plan outcome Homes For the Future - Everyone has a home that is safe, sustainable, stable and affordable.

8. Carbon and Climate Change

N/A

9. Statutory Officers comments (Director of Finance (procurement), Head of Legal and Governance, Equalities)

Finance - N/A

Procurement - N/A

Head of Legal & Governance [Name and title of Officer completing these comments] - N/A.

Equality - N/A

10. Use of Appendices

Appendix 1 – B&B Elimination Plan

11. Background papers – N/A