

<b>Briefing for</b>	Housing & Regeneration Scrutiny Panel 27 <sup>th</sup> June 2016
<b>Title</b>	Homelessness in Haringey
<b>Author</b>	Denise Gandy, Director of Housing Demand

## Defining Homelessness and Haringey's approach

Local Authorities have statutory duties towards homeless households. These are broadly; providing advice and assistance free of charge to prevent homelessness, providing temporary accommodation while making enquiries into whether a main homelessness duty is owed and when this is accepted, accommodating the household until a suitable offer of settled accommodation is made.

A 'main homelessness duty' is owed where the authority is satisfied that the applicant is eligible for assistance, unintentionally homeless and falls within a specified priority need group. The traditional approach to discharging a homelessness duty to accepted households was through social housing lets, although the ability to discharge into the private rented sector was also available if the household consented. The enactment of the Localism Act 2011 provided Local Authorities with the ability to discharge their homelessness duty into the private rented sector without consent of the household.

Services in Haringey are currently configured to provide a dedicated Housing Advice and Options service which focuses on homelessness prevention and a Homelessness Assessment service which is accessed when homelessness cannot be prevented.

## Trends and relative performance

### Homelessness Prevention

In 2015/16 the borough prevented 756<sup>1</sup> households from becoming homeless, an increase of 109 (17%) on 2014/15 and 49% on 2012/13.

	2012-13	2013-14	2014-15	2015-16
Preventions	505	535	647	756

Preventions include households who were assisted to remain in their own homes and those who were assisted to obtain alternative accommodation. In 2015 these were 43% and 57% respectively.

<sup>1</sup> P1e Homelessness returns

Although the number of preventions is on the increase there is a comprehensive approach to improve these further through existing and new methods.

- Good quality housing advice at an early stage is crucial to preventing homelessness, along with a holistic approach
- A greater emphasis on Conciliation
- Outreach Advice to key partners (Probation Service and St Ann's) to provide accessible housing advice to vulnerable client group and the professionals that support or supervise them
- Working closely with Community groups, training and advising them to ensure they in turn are able to advise and sign post Haringey households appropriately and that this valuable work in preventing homelessness is captured and recognised
- The Welfare Reform Hub works with households to help them resolve issues created by the welfare reform changes and in many cases supports them into work
- Hearthstone connects survivors of domestic violence to a range of services which can support them to remain in their homes safely
- The homelessness prevention fund (currently £80k pa) which is used to provide one off payments which can enable people to remain in their own homes
- A one off grant of £200k has also recently been secured and will be used to fund a 'Find your own' scheme. This scheme will provide a £500 resettlement grant to households (where a homelessness duty would be or is owed) who chose to find their own private rented accommodation

## Homeless acceptances

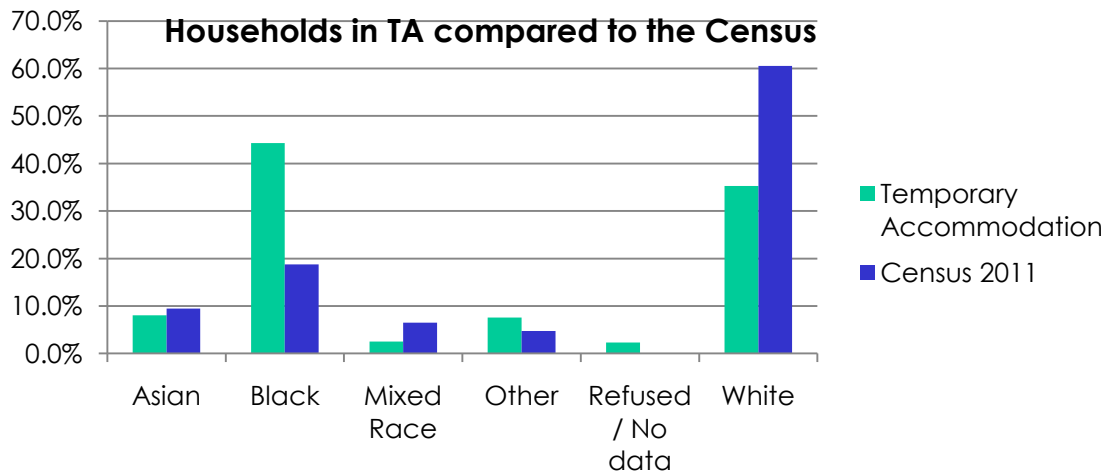
Being evicted by a private sector landlord is consistently the most common reason for homelessness amongst households where a main homelessness duty has been accepted. This accounts for 60 per cent of all acceptances in 2015/16, 52 per cent in 2014/15 and 54 per cent in 2013/14. The combined total of people being asked to leave from family or friends' accommodation also accounts for 27 per cent of cases in 2013/14 and 2015/16 and 22 per cent in 2014/15.

The top ten reasons for homelessness can be seen below.

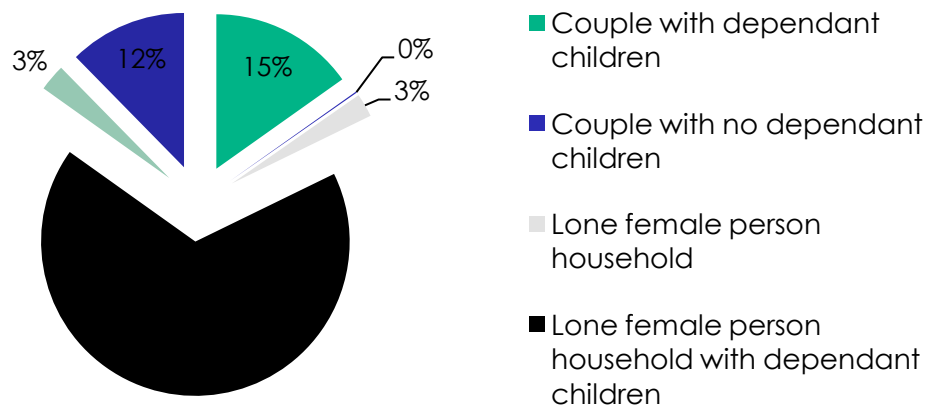
Reason for homelessness acceptances	2013/14	2014/15	2015/16
<b>Evicted Private Landlord</b>	<b>412</b>	<b>345</b>	<b>362</b>
Licence termination (family)	54	97	46
Licence termination (friend)	154	51	119
National Asylum Service	39	40	22
Evicted Housing Association	8	18	10
Overcrowded /unreasonable to occupy	14	12	0
Evicted Council	9	9	10
Domestic Violence	9	8	12
Relationship breakdown	1	20	5
Evicted resident landlord	10	13	0
Other	60	51	17

## Households in Temporary Accommodation

There is an over representation of 'Black' and 'Other' ethnic group households in temporary accommodation, compared with the profile of Haringey residents set out in the 2011 Census.



67 per cent of households in temporary accommodation are made up of Lone females with dependant children.



## Types and cost of Temporary Accommodation

A range of temporary accommodation has been procured over time to meet demand. Private sector leased properties, Hostels and S193's (decants) are managed by Homes for Haringey, other accommodation is secured with social landlords and in the private sector.

TA Type	Number (14/06/16)
Emergency accommodation/ annexes	1,600

Private Sector leases (PSL's)	928
Housing Association Leases	247
Supplier managed PSL's	104
Hostels	145
B&B (Private Hostels)	50
S193's (decants)	103
Other	37

Subsidy arrangements mean that local authorities in London receive 90 per cent of Local Housing Allowance rate (2011) plus £40 per week, however nightly charged accommodation and properties in the Borough, increasingly cost more than this.

---

#### Nightly rated/emergency accommodation

Bed size	Subsidy	Average price	Subsidy gap	Annual loss
<b>2</b>	£248	£315	£67	£3,484
<b>3</b>	£310	£364	£54	£2,808
<b>4</b>	£378	£462	£84	£4,368
<b>Private hostel</b>				
<b>Double</b>	£121.87	£305	£183.13	£9,522.76

To minimise the negative financial impacts of subsidy shortfalls a number of approaches are planned or in use;

- Continued access to the Housing Related Support funded supported housing for single vulnerable households with move on plan
- Conversion of ex-residential schemes or commercial premises into shared facility hostels
- Engagement with households by the Move On Team throughout the period of stay in temporary accommodation to reinforce various housing options
- Use properties that are decanted for regeneration as temporary accommodation
- Retain as many of the existing leases as possible and go back out to the market with a revised lease offer to secure new private sector leases
- Procure out of London TA (and assured short hold tenancies)

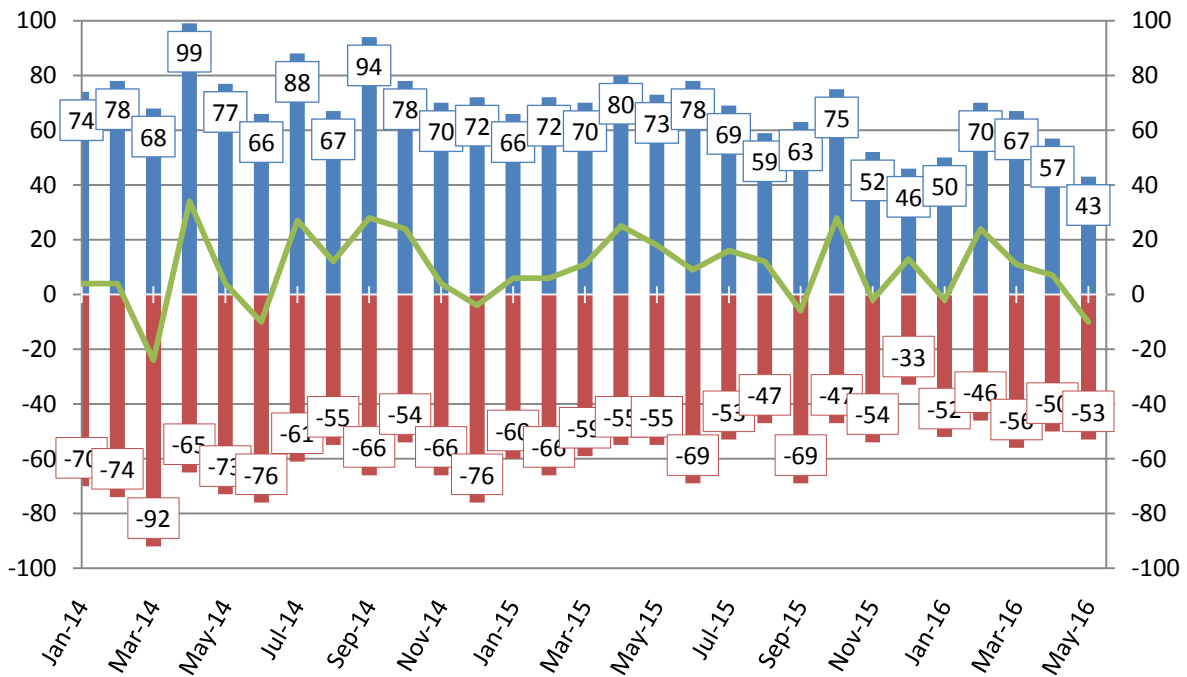
- Facilitate economic moves for households in the most expensive temporary accommodation
- Cross borough agreements on pricing and a dynamic purchasing system to make the process of accessing accommodation and agreement of charges transparent
- Develop new supply through modular build and property purchase

### Movement in and out of Temporary Accommodation

London saw an increase in the number of households placed in TA of 8% compared with March 2014 (50,970 compared with 47,020<sup>2</sup>). The number of households in B&B in London also increased by 10% in March 2015 compared to March 2014. The number of households in TA in London has increased each quarter since Q1 2012.

The rate of increase of households placed in temporary accommodation in Haringey has been lower than many other London Boroughs. Although, the rate of increase over Q1 and Q2 in Haringey worsened, this remained lower than the London average. The average increase being 28 households for London and 18 in Haringey.

May 2016 saw the lowest number of people entering temporary accommodation for two years; the overall numbers are however continuing to increase as the rate of households leaving temporary accommodation has reduced.



<sup>2</sup> Statutory live tables 774 DCLG

## The impact of Social Housing Supply

From a high of 1,000 Lets in 2011/12, lets to general needs housing has fallen year on year with an average reduction of 13% per year.

	2012/13	2013/14	2014/15	2015/16
<b>Bedsit</b>	7	12	9	7
<b>1</b>	295	287	252	226
<b>2</b>	286	234	169	154
<b>3</b>	140	126	102	89
<b>4</b>	41	29	27	13
<b>5</b>	2	6	4	1
<b>6</b>	1	0	1	1
<b>TOTAL</b>	<b>772</b>	<b>694</b>	<b>564</b>	<b>491</b>

There are a number of factors which impact on the number of available properties to let. Council tenants have the right to buy (RTB) their council homes if they meet certain qualifying criteria and they are entitled to receive a discount on the market valuation of the property, but this discount is capped. In 2013 the discount cap was increased from £75K to £100K and this saw RTB sales almost double to 143 in 2013. In 2014 215 properties were sold. Properties which are decanted have begun to be used as temporary accommodation and fewer households are leaving of their own accord. The projected impact can be seen below.

<b>Lettings</b>	<b>13/14</b>	<b>14/15</b>	<b>15/16</b>	<b>16/17</b>	<b>17/18</b>	<b>18/19</b>	<b>19/20</b>	<b>20/21</b>
<b>Council &amp; RP Re-lets</b>	627	486	451	402	350	316	284	259
<b>Council &amp; RP new builds including Estate renewal &amp; Buy-back</b>	67	78	6	196	145	197	189	130
<b>General Needs Lets</b>	<b>694</b>	<b>564</b>	<b>457</b>	<b>598</b>	<b>495</b>	<b>513</b>	<b>473</b>	<b>389</b>

Currently 70 per cent of lets are targeted to households in temporary accommodation. A reduction of overall lets is however expected, resulting in the

number of lets to this group also reducing to approximately 50 per cent. In addition less than 50% of lets are family sized accommodation and given most household required 2 bed rooms there is a mismatch between available lets and demand.

The traditional approach of using social housing to discharge the main homelessness duty is not a realistic option and is not a sustainable approach for the local Authority.

### **Use of the private rented Sector**

The private rented sector has been relied upon to manage homelessness. Lets into this type of accommodation are used to prevent homelessness by assisting households to obtain alternative accommodation and to discharge the main homelessness duty. Accessing this type of accommodation has become increasingly difficult over recent years.

PRS Lets						
2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
1000	496	314	254	222	157	176

The barriers to accessing this type of accommodation are predominantly due to the pressures of a competitive market and presenting an agreeable proposition for landlords. These currently include financial incentives which vary dependant on the size of the property, tenancy support for both landlord and tenants, tenancy training, fast tracking of housing benefit claims ( for claims in the borough of Haringey) and rent payments direct to the landlord ( for vulnerable tenants). The impact of Welfare Reform further narrows the range of properties (commonly now in the bottom 30% of the market) that are accessible and affordable. Some key elements include;

- Single people who are under 35 are only eligible to claim housing benefit for a single room (a room in a shared house). A small number of exceptions apply which relate to being in care, certain vulnerabilities and recognised homelessness
- Local Housing Allowance<sup>3</sup> rates are frozen for 4 years, so the gap between market rents and Housing Benefit levels will increase even further
- The Benefit cap will reduce further the maximum amount of income from benefits household can receive (£23,000 in London, £20,000 elsewhere), leaving no possibility of families being able to pay the difference between the housing benefit payment and the rent. This makes private renting not 'affordable' for larger families

---

<sup>3</sup> Local Housing Allowance rates are the maximum amount of rent that is payable on a property for housing benefit purposes.

- 2,007 households in Haringey are expected to be capped when the lower level comes in
- Discretionary Housing Payments (DHP) are used to pay the difference in benefits and rent, however these can only be paid for a limited time (while claimants become work ready)
- The implementation of Universal Credit (one Benefits payment to claimants) and other proposals which include the removal of benefit for under 25s is creating additional nervousness amongst landlords

Affordable private rented accommodation has been a challenge for many London local authorities resulting in an increasing trend to secure private sector lets (Assured short hold tenancies (AS's) out of borough and in some cases out of London. This has been considered as the only affordable option particularly for larger households.

A target to increase the number of ASTs is needed to meet demand and has been set at 400 for 16/17 (157 were achieved in 2014/15 and 176 is projected for 15/16). The 400 ASTs will be used equally to discharge the main homelessness duty and prevent homelessness. In order to widen supply a number of approaches will be adopted;

- Revision of incentives to encourage landlords and agents to provide ASTs in larger numbers
- Build on discussions with larger providers/investors
- Introduction of a 'Find your own' incentive to households
- Ensuring access to 'intermediate rent' properties on new schemes for homeless households
- Role of Move 51 North