



Portsmouth CITY COUNCIL

Housing & Social Care Scrutiny Panel

A REVIEW OF THE PROVISION OF TEMPORARY ACCOMMODATION.

Date published: 30 July 2019

Under the terms of the council's constitution, reports prepared by a scrutiny panel should be considered formally by the cabinet or the relevant cabinet member within a period of eight weeks, as required by Rule 11(a) of the Policy & Review Procedure Rules.

Preface

The number of households placed in temporary accommodation has doubled in Portsmouth over the last couple of years. This unfortunate trend is driven by constraints on the supply of affordable housing and by the short term effects of removing Leamington and Horatia Houses from the available stock.

The Housing and Social Care Scrutiny Panel has undertaken a review of this important area of council activity, both to understand how the current situation has arisen, whether it will change in the near future and what the options are for balancing supply and demand over the longer term.

The panel recognises the good work being progressed by council officers and thanks all those who contributed to this review. We hope the recommendations we offer are useful and that by using some of the approaches identified, fewer people will have to be placed in expensive and often inadequate short term accommodation in future.

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Councillor Luke Stubbs,
Chair, Housing & Social Care Scrutiny Panel

Date: 30 July 2019

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1. Purpose

- 1.1 The purpose of this report is to present the Cabinet the recommendations of the Housing & Social Care Scrutiny Panel following its review of the provision of temporary accommodation.

2. Background

- 2.1 At its meeting on 11 February 2019 the Housing & Social Care Scrutiny Panel (henceforth referred to as the panel) agreed the scope of the review:

To understand:

1. The types of temporary accommodation used by the council.
2. The reasons for the increase in the use of temporary accommodation.
3. The typical length of stay.
4. The allocation process (*this was moved to no. 1*)
5. The role of the private rental sector and how the council works with it.
6. The council's plans to address the increasing use of this accommodation.
7. The council's work with other local authorities.

- 2.2 The panel comprised:

Councillors: Luke Stubbs (Chair)
Jason Fazackarley
Leo Madden
Claire Udy
Steve Wemyss
Tom Wood

The Standing Deputies were Councillors Ben Swann, David Tompkins and Neill Young.

On 14 May the panel's composition changed to:

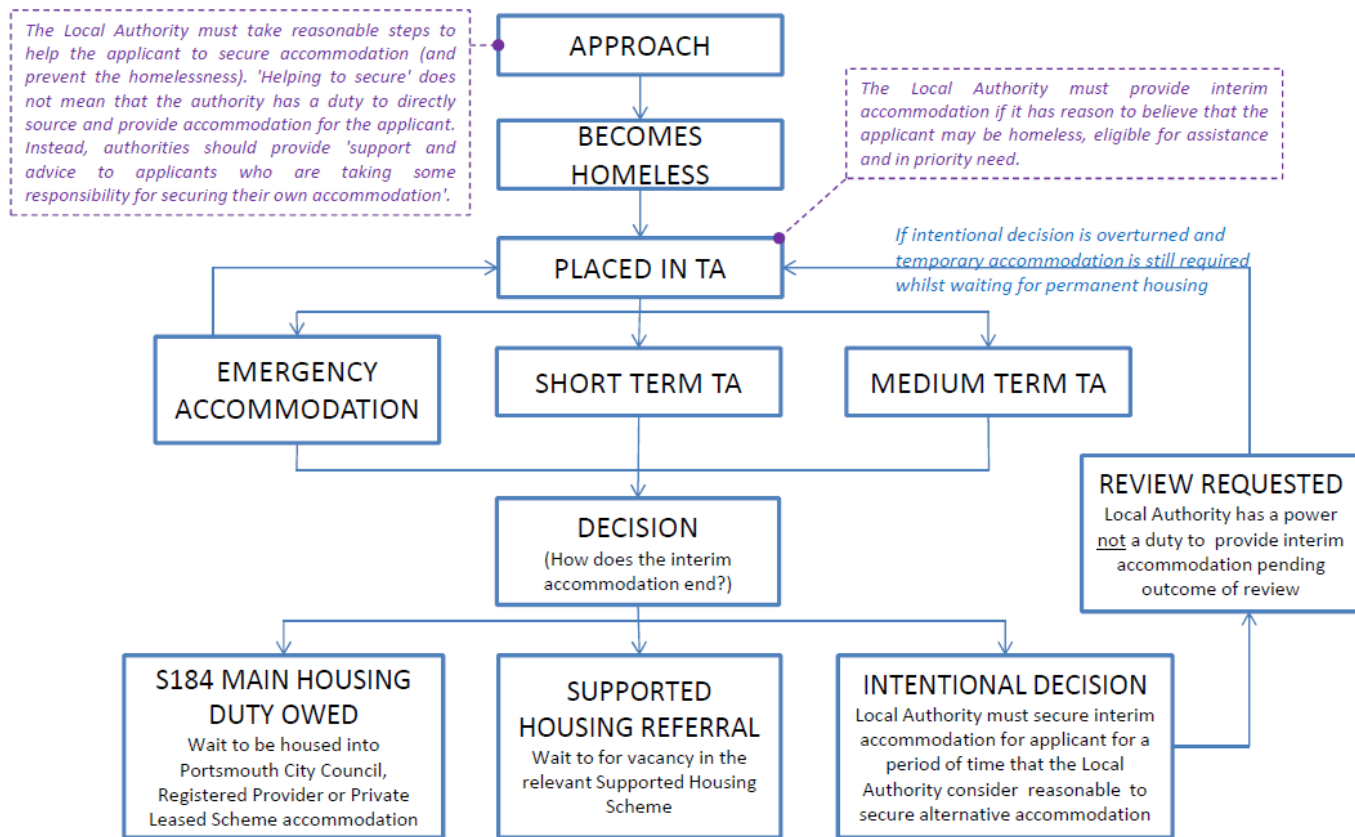
Councillors: Luke Stubbs (Chair)
Cal Corkery (Vice Chair)
Chris Attwell
Leo Madden
Claire Udy
Steve Wemyss

The Standing Deputies were Councillors Hannah Hockaday, Benedict Swann, Tom Wood and Neill Young.

- 2.3 The panel met formally on 3 occasions between 11 February and 30 July 2019.
- 2.4 A list of meetings held by the panel and details of the written evidence received are attached as appendix 1. The minutes of the panel's meetings and the documentation reviewed are published on the council's website.

3. The allocation process.

Temporary Accommodation - Customer Journey



TA = temporary accommodation.

- 3.1 When a person or family declares themselves as homeless and asks the council to help them find accommodation, the Housing Options Officer will ask about their circumstances. If there is nowhere else available and the applicant is eligible and in priority need they would be offered emergency temporary accommodation. The council assesses their case and keeps them informed. The council has a legal duty to pay for their belongings to be stored.
- 3.2 Ideally the council would house people in emergency temporary accommodation for as short a time as possible, but the current average waiting time is three months.
- 3.3 An intervention into the allocation and letting of council properties has been undertaken and a new way of working is now being rolled in at the Area Housing Offices. It is expected that one of the outcomes will be to reduce the time it takes for empty council properties to be made ready for new tenants. This currently takes an average of 55 days for all void properties, abnnd includes some which require a significant amount of work to make them habitable. There are approximately 25 vacant properties at the moment. During the void period the council is responsible for all the bills associated

with the properties. The outgoing tenants usually give about two weeks' notice of moving out.

- 3.4 The council could, via the Priority Housing Panel, give additional priority to homeless applicants in temporary accommodation. However, the impact on the others on this list must be considered.

4. To understand the types of temporary accommodation used by the council.

What is temporary accommodation?

The council has statutory duties towards those who are homeless, or threatened with homelessness (TWH). Homeless means more than those sleeping rough on the streets. Most people who are legally defined as homeless have not been sleeping rough. If homeless people approach the council for support, the council has a legal duty to assess their case. Whilst being fully assessed, or waiting for move-on accommodation, the council may have a duty to provide a temporary home. This is referred to as temporary accommodation.

Placements are not classified as tenancies. People are housed on licence and have different rights to those who hold a tenancy.

Relevant Legislation

The Housing Act 1996¹ requires local authorities to have an allocations policy.

The Homelessness Act 2002² requires local authorities to have a homelessness strategy.

The Homelessness Reduction Act (HRA) 2017³ came into effect in April 2018. It effectively bolts two new duties to the original statutory rehousing duty: to prevent homelessness and to relieve homelessness.

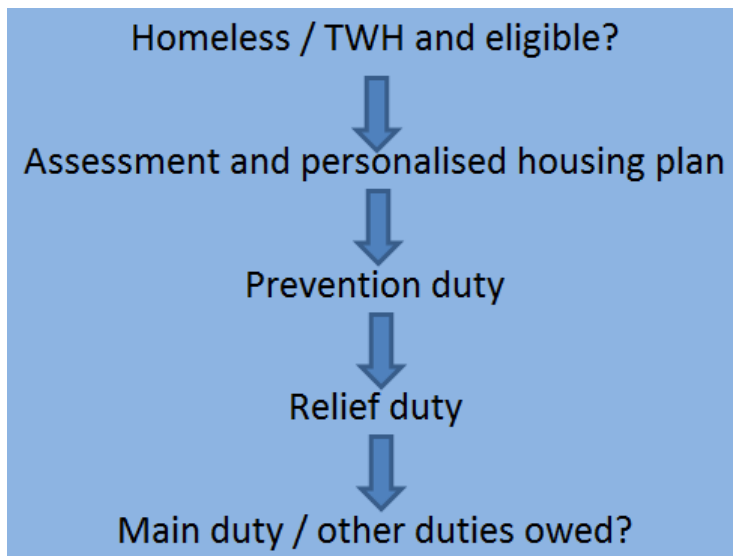
The Cabinet Member for Housing informed the panel that he felt that it is immoral that the council does not have a statutory duty to house rough sleepers as he felt that it is the council's duty to deal with everyone. He added that the Portsmouth City Rough Sleeping & Homelessness Partnership Group was working to identify the numbers and evaluate the reasons for homelessness.

¹ <https://www.legislation.gov.uk/ukpga/1996/52/contents>

² <https://www.legislation.gov.uk/ukpga/2002/7/contents>

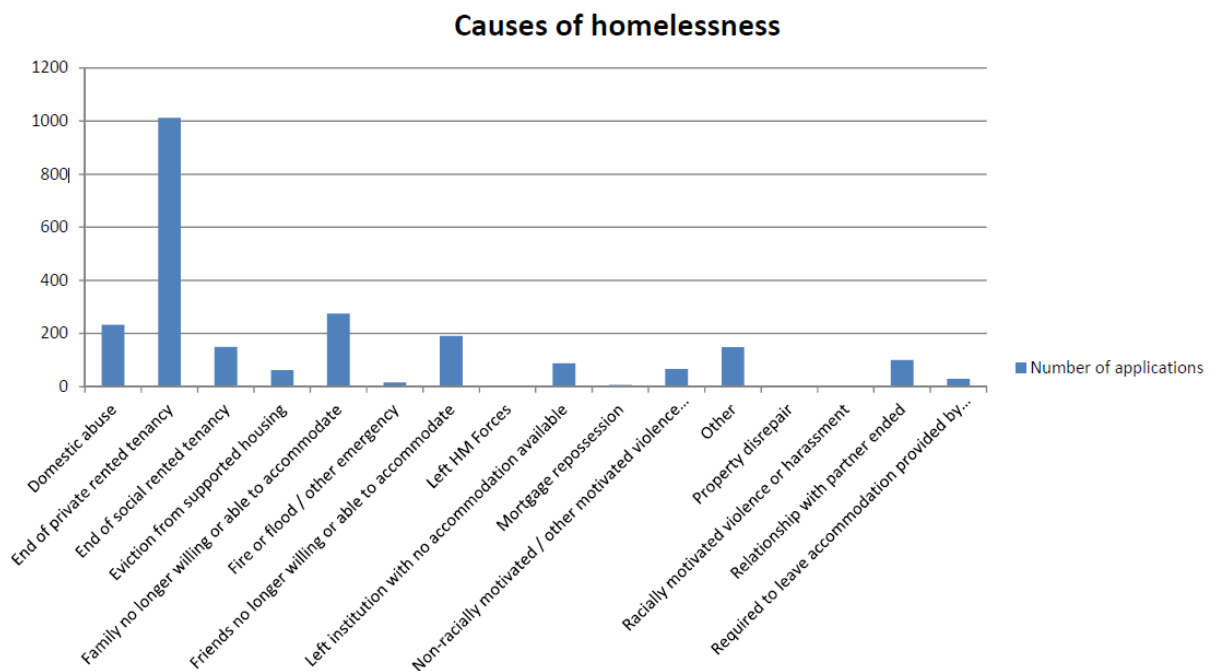
³ <http://www.legislation.gov.uk/ukpga/2017/13/contents/enacted>

Process set out in the act



Reasons for homelessness

The Cabinet Member for Housing explained that most homeless people and those THW tend not to be visible. It is very important to understand the reasons people are presenting as homeless.



Data source: Portsmouth Housing Register.

As shown on the table above, by far the main reason for homelessness in Portsmouth is the ending of a private tenancy. These often end because the tenants' circumstances change and the rent is no longer affordable. Some people cannot

afford the top up they were required to pay towards their rent after the introduction of the benefits cap.

Since the introduction of universal credit, rent arrears plateaued for a time and then increased a little. It is not possible to predict the long-term effect of this benefit. Nationally where universal credit has been in place for a number of years, rents have increased significantly.

Another reason for the ending of a private tenancy may be the tenant's anti-social behaviour. A significant number of people who approach the housing service and present as homeless have complex mental health or substance misuse issues. It is important to realise that the council still has a duty to rehome them in these circumstances.

The second biggest reason is that people's family are no longer able to accommodate them or that they feel it is time to move out of their parents' home but cannot afford to rent privately.

The third reason for homelessness is domestic abuse.

Although there has been an increase in people declaring themselves homeless since the introduction of the HRA, there has not been a corresponding increase in placements.

Types of Temporary accommodation

Emergency

The number of small hotels accepting referrals from the council has decreased. The council has flexible contracts with three independent B&Bs/ hotels. A tendering exercise carried out three years ago was not successful as only hotels that were already working with the council responded. Due to lack of available accommodation the council has had to recently start using chain hotels. The rates vary depending on the season and the size of the household.

The council is negotiating with the Regional Manager & Regional Director of a chain hotel in Portsmouth regarding potential discounts, better methods of payment and invoicing and greater flexibility with ongoing bookings.

A new B&B opening in the city has been identified and a reduction on the advertised room rates has already been negotiated. The Cabinet Member for Housing noted that it is not ideal to place people in B&Bs because of the cost and because they often lack facilities like kitchens.

Short Term

There are currently 30 two or three bedroom, self-contained flats. The council has a service level agreement with the Roberts Centre to furnish the flats, carry out maintenance checks and to provide support and links to medical and other services.

Medium Term

A block of 20 two to three bedroom self-contained flats in Southsea is owned and used by the council for medium term temporary accommodation. There are also four flats, one leased house and 25 rooms in five Houses of Multiple Occupancy. The latter is a new venture for the council. It was noted that managing tenants who do not know each other is difficult.

Council Properties.

There is no significant fluctuation in the number of empty properties (voids) becoming available to the council. Between 900 and 950 properties are let every year.

The Cabinet Member for Housing noted that the void intervention programme should stabilise and then reduce the number of empty council properties.

Move on Accommodation

Additional move on stock is required.

The predominant issue has been a lack of movement through temporary accommodation into more permanent settle accommodation.

Student accommodation

The use of student accommodation has been considered. It depends on availability and is relatively expensive.

Out of city accommodation.

The possibility of moving to an area where the rents are cheaper is discussed with the applicant but it is important to consider the costs for travelling to school, work and to see their families. Some type of property in some areas outside of the city are not in as high demand as others, possibly because they are further from the city centre.

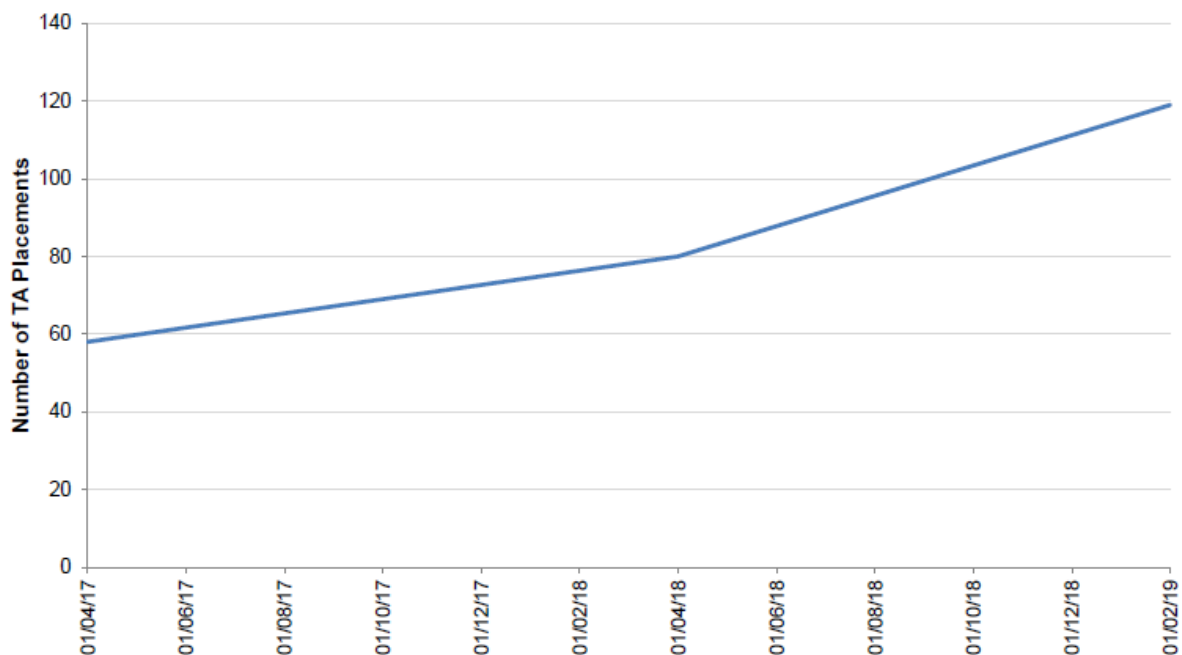
Some applicants have been placed in B&Bs in Southampton due to a lack of vacancies in Portsmouth. The council is working to bring them back into the city.

General temporary accommodation

More cost-effective and self-contained accommodation is required.

5. The reasons for the increase in the use of temporary accommodation.

The rise in the number of households in temporary accommodation.



Source: Portsmouth Housing Register.

Demand

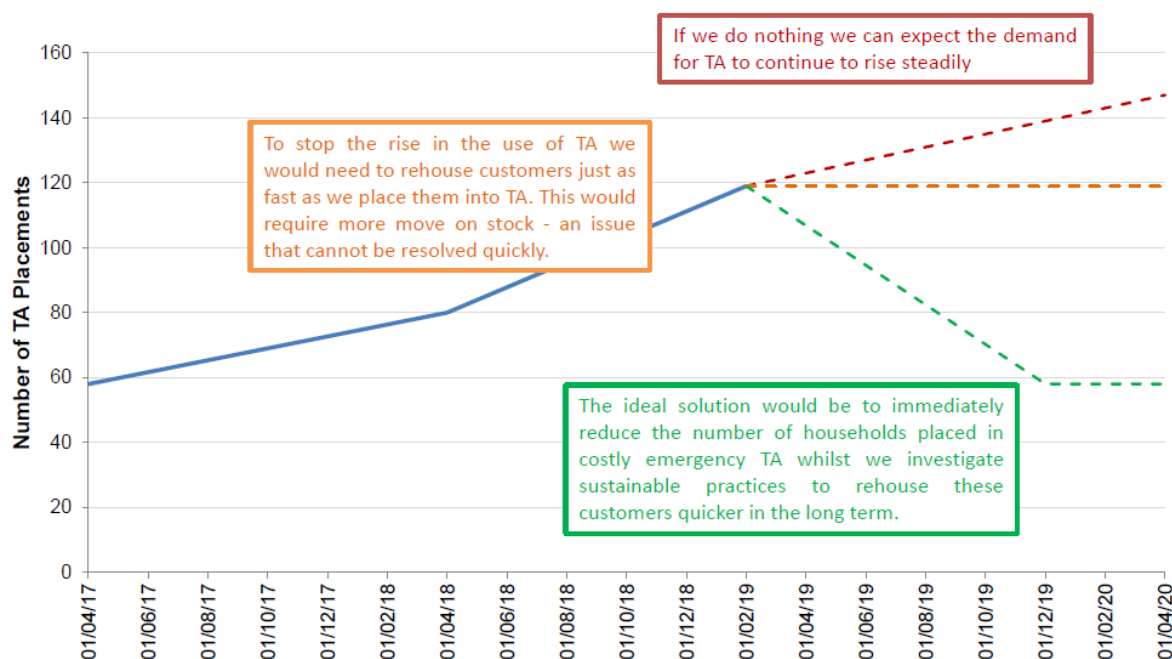
It is increasingly difficult to find move on accommodation for families of 5 or more.

There is a disparity between the rate at which the council is registering applicants and how quickly they are rehoused. The number of households being placed onto the Housing Register in the high priority band every week was 18.3. The number of applicants in the high priority band that the council can reasonably expect to rehouse each week based on the current system is 17.1. 51% of applicants in the high band are homeless; their position on the Housing Register is determined by their band and the date of their registration. The other 49% need to move because of many reasons including medical needs, they live in properties that are too large for their needs, the Supported Panel has agreed a move or it is a management move.

Asylum seekers who have been granted leave to remain are rehomed in accordance with current homeless legislation.

There had not been a large number of former service personnel presenting as homeless.

Future Demand.



TA= temporary accommodation

Source: Portsmouth Housing register.

It is important that future demand is modelled so that the council does not end up with stock that is no longer needed in five years' time.

There are many demands for social housing. It would not be possible to give homelessness people priority as this would impact unfairly on others on the waiting list.

The number of households in temporary accommodation.

Nationally.

In June 2018 the number of households in temporary accommodation was 82,310. This had risen by 5% since June 2017 and by 71% from December 2010⁴.

Portsmouth

The number of households in temporary accommodation rose from an average of 66 in April 2017 to an average of 103 per night by the end of 2018. The number of households in temporary accommodation had risen from 58 in April 2017 to 119 in February 2019. This figure rose sharply in the early part of Summer 2018 following the introduction of the HRA 2018 and the urgent need to decant two sizeable tower blocks.

⁴ Ministry of Housing, Communities and Local Government 2018

At the end of 2018 it was statistically normal to have between 96 and 112 households in temporary accommodation. A 'household' (aka a placement) can be a single person, a couple or a family.

Following the introduction of the HRA the council witnessed a rise of 0.5 households placed per week: from an average of 6.7 per week in April 2018 to the current average of 7.2 per week. At present, it would be statistically normally to expect to place between 0 and 17 new households each week.

The council has seen a rise in the occupation rates of its temporary accommodation.

It is harder to move people on which has resulted in longer stays in temporary accommodation.

Reasons.

- Welfare reforms
- Increase in homelessness at a national level
- Introduction of HRA 2017
- Reduction in alternative/permanent accommodation for households to move on.

6. The typical length of stay.

The average number of days that a household typically spends in short term temporary accommodation (from first placed to when they leave) increased in July 2018 from 76 days to 116 days with a statistically normal range of between 0 and 282 days. This indicates a highly variable, and increasing system.

For medium term temporary accommodation the average stay is 201 days with a statistically normal range of between 26 and 379 days. This indicates a highly variable, but stable system.

Emergency

The average number of days in emergency accommodation (Bed & Breakfasts and hotels) has risen from an average of 28 days in April 2017 to an average of 65 days in December 2018, with a statistically normal range of between 0 and 148 days. This indicates a highly variable and increasing system.

This type of accommodation costs a lot more than more traditional forms of temporary accommodation and can be an unsettling environment for the customer.

Accepted Offers from temporary accommodation.

The number of placements into permanent accommodation per week has fallen from an average of 22 per week in 2017 to an average of 12 days by December 2018.

Accepted offers to registered housing providers.

The number of placements into registered housing providers has remained stable at six per week albeit with high variability.

Accepted offers to council owned accommodation.

The number of placements into council owned property has fallen from 16 to 6.5 per week. This is due to capacity being diverted to those moving from Leamington House and Horatia House.

7. The role of the private sector and how the council works with it.

The council is developing more opportunities to use privately owned property for temporary accommodation. Some Houses in Multiple Occupancy had been leased in the previous 12 months.

New housing developments in the city will provide some temporary accommodation. However, it was noted that this a long term measure.

The council receives offers of temporary accommodation from private companies. Generally these are too expensive and not all have managers on site to support the tenants.

8. The council's plans to address the increasing use of this accommodation.

The council has a legal duty to provide interim accommodation for homeless households and the only way to effect an immediate change is to consider taking extraordinary measures. Only additional move on capacity will reduce the use of temporary accommodation. The following options were discussed:

Office to residential conversions.

The developers of Roebuck House in Cosham received prior planning approval for more than 200 flats which would be below the standards set for room sizes.

Council properties

Properties in Wecock Farm are traditionally in low demand (amongst applicants on the waiting list). There is also hard to let sheltered accommodation in the Crookhorn area as no one on the list wants or needs that type of property in this location. The council is reviewing how it could better use that building.

The council recently increased its medium term accommodation by taking on three 1 bedroom and one 3 bedroom low demand council properties and these now have homeless households placed in them.

The decant of tenants from Horatia House and Leamington House is nearing an end which means more move on accommodation (within council stock) should become available. This will not resolve the issues of temporary accommodation although it will help stabilise the problem.

Community Centres.

The Cabinet Member for Housing informed the panel that Southsea Community Centre had been vacant for a long time. Using it for temporary accommodation would be his preference but he acknowledged that by the time it was developed, the market may have changed.

The Housing Strategy is currently out for consultation.

Discretionary Housing Benefit payments.

Referrals are made to the HB team for discretionary payments. The fund available is not usually spent, but this year it may be used in full.

9. The council's work with other local authorities.

The council has a good working relationship with the rehousing team in Gosport and Fareham councils and learning is shared. Although homelessness is a national problem, different areas tend to have different problems.

Gosport council has two long stay hostels.

Fareham does not deal with a significant number of homeless applicants and not provide temporary accommodation.

Conclusions

The panel was concerned to note that:

1. Demand on temporary accommodation exceeds capacity.
2. The permanent rehousing of residents from Horatio House and Leamington House exacerbated the situation.
3. The average amount of time that council properties remain empty is 55 days.
4. The use of temporary accommodation can lead to poor outcomes for families and is poor value for money.
5. Homeless applicants make up the majority of people in temporary accommodation. The main cause of homelessness is the ending of private tenancies. The introduction of the Homelessness Reduction Act may also be a contributing factor.
6. The length of time people wait for move-on accommodation is increasing.
7. The panel was pleased to note that the discretionary housing benefit allocation is spent in full.
8. The council continue to take all the opportunities it has to develop social and affordable housing particularly additional council housing through the HRA now that the HRA borrowing cap has been removed.

Recommendations.

The panel recommended that:

1. The turnaround period for empty council properties be reduced.
2. Opportunities to use vacant public sector buildings as temporary accommodation be investigated including locations such as Edinburgh House.
3. The council continue to making block bookings for emergency accommodation in hotels and B&Bs to reduce costs and uncertainty.
4. Housing Associations be encouraged to work together to allocate properties to people on the council's temporary accommodation waiting list.
5. The council continue to take all the opportunities it has to develop social and affordable housing particularly additional council housing through the Housing & Revenue Account now that the borrowing cap has been removed.

8. Recommendations and Budget and Policy Implications

The following table highlights the budgetary and policy implications of the recommendations being presented by the panel:

Recommendation	Action By	Budget & Policy Framework	Resource Implications
1. The turnaround period for empty council properties be reduced.	Assistant Director - Housing, Housing, Neighbourhood and Building Services	Spend required when a property is empty will be reduced. The outgoing customer will become more engaged in the process to handover their property	The New Tenancy team will be transferred to become Housing officers in area offices
2. Opportunities to use vacant public sector buildings as temporary accommodation be investigated including locations such as Edinburgh House.	Assistant Director - Housing, Housing, Neighbourhood and Building Services	Properties need to be safely and securely adapted for the types of customers that need temporary accommodation. Properties need to be in the right locations top access services (such as schools)	Funding needs to be identified for any adaptations
3. The council continue to making block bookings for emergency accommodation in hotels and B&Bs to reduce costs and uncertainty.	Assistant Director - Housing, Housing, Neighbourhood and Building Services	Many B&Bs do not take purchase orders and so the use of purchasing cards needs to be carefully monitored. The aim is to reduce the use of B&B and hotel by moving people into better accommodation more quickly	None
4. Housing Associations be encouraged to work together to allocate properties to people on the council's temporary accommodation waiting list.	Assistant Director - Housing, Housing, Neighbourhood and Building Services	None	None

Recommendation	Action By	Budget & Policy Framework	Resource Implications
5. The council continue to take all the opportunities it has to develop social and affordable housing particularly additional council housing through the Housing & Revenue Account now that the borrowing cap has been removed.	Directors for Housing Neighbourhood and Building Services, and Regeneration	By the directorates working together it will be able to realise the opportunities that the removal of the Housing & Revenue Account borrowing cap represents to enable council housing development	Additional borrowing will need to be financed

9. Legal Comments

The Homelessness Reduction Act 2017 came into force on 03 April 2018. The Act places new legal duties on councils to ensure those who are homeless or at risk of homelessness will have access to meaningful advice and assistance, irrespective of their priority need status, as long as they are eligible for assistance. The Act also introduces new duties to prevent and relieve homelessness by helping applicants secure accommodation. The Act amends Part VII of the Housing Act 1996, which provides the statutory basis of council's duties to prevent homelessness and provide assistance to those threatened with or who are homeless. Further guidance is also provided to councils exercising their functions relating to homelessness and prevention of homelessness in the statutory Homelessness Code of Guidance February 2018.

In addition to the above, the council is also required under the Homelessness Act 2002 to formulate and publish a homelessness strategy, which is intended to include the council's plans for securing that sufficient accommodation is and will be available for people who are or may become homeless.

When considering its approach to homelessness, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010; the need to advance equality of opportunity; and the need to foster good relations between persons who share a protected characteristic and those who do not.

The recommendations and action plan (shown in paragraph 8) are in accordance with furthering the council's duties and the legislation's objectives in relation to securing accommodation for persons who are homeless or threatened with homelessness.

10. Finance Comments

The recommendations within this report have a number of financial consequences.

The recommendation to reduce the turnaround period for empty council properties has no detail attached to it that can allow a proper financial appraisal to be carried out. The properties in question include but may not be limited to those held within the Housing revenue account. The consequence of enabling properties to be in a rentable state faster are that the council can start to receive rent from those properties quicker, and it also increases the capacity available and therefore lead to less reliance on temporary housing.

The recommendations that says that the council should consider opportunities to use vacant public sector buildings as temporary accommodation such as Edinburgh House doesn't have enough detail in the report as to what this entails and which buildings could be used. Edinburgh House along with all other properties should be used in the most financially beneficial manner and whilst Temporary Accommodation is currently significant financial risk there are other areas in the Council that also need to be considered such as accommodation for Children's and Adult Social Care. Each site would need to be appraised as to the most appropriate use.

The council will always endeavour to procure temporary accommodation in the most financially advantageous manner that may include making block bookings, the benefits of this differ dependent on the provider selected.

There are no costs to the council by encouraging Housing Associations to prioritise people on the council's temporary accommodation list. Any initiatives that ensure that the council's reliance on the use of temporary accommodation will have a positive effect on the council's budget.

The removal of the borrowing cap from the Housing Revenue Account allows it to borrow money under the prudential code. Therefore any borrowing must be sustainable, affordable and prudent. Any development that provides additional council housing will need to be financially viable in order to be funded using additional borrowing.

11. Equality Impact Assessment.

A preliminary equality impact assessment would be carried out when the Cabinet makes its decisions based on the recommendations set out in this report.

Formal Meetings Held by the Panel

DATE	WITNESSES	DOCUMENTS RECEIVED
11 February 2019	<p>Councillor Darren Sanders, Cabinet Member for Housing</p> <p>Paul Fielding, Assistant Director - Housing</p> <p>Elaine Bastable, Head of Housing Options</p> <p>Lucy Smith, Accommodation Manager</p> <p>Daniel Lake, Accommodation Manger</p>	Presentation by officers.
5 March 2019	<p>Councillor Darren Sanders, Cabinet Member for Housing</p> <p>Paul Fielding, Assistant Director - Housing</p> <p>Elaine Bastable, Head of Housing Options</p> <p>Lucy Smith, Accommodation Manager</p> <p>Daniel Lake, Accommodation Manger</p>	Presentation by officers.
30 July 2019	The panel signed off the report.	