

Report to: Cabinet

Date of Meeting: 8 April 2019

Report Title: Temporary Accommodation Update

Report By: Andrew Palmer, Assistant Director, Housing and Built Environment

Purpose of Report

To update Cabinet on progress in acquiring temporary accommodation units, using the capital budget set aside in October 2018. To seek delegated authority from Cabinet to mobilise the Accessing the Private Rented Sector, Flexible Homelessness Support Grant top-up and Homelessness Prevention Grant top up a project funded by the Ministry for Housing, Communities and Local

Recommendation(s)

- 1. For Cabinet to acknowledge progress in acquiring temporary accommodation**
- 2. For Cabinet to authorise expenditure of £372,500 from the accessing the private rented sector grant**
- 3. For Cabinet to authorities expenditure of £225,000 from the Homelessness Prevention and Flexible Homelessness Support Grant top ups for the interventions set out in the report**
- 4. For Cabinet to delegate authority to the Assistant Director, Housing and Built Environment, in consultation the Lead Member for Housing and Leisure to mobilise the projects**

Reasons for Recommendations

There has been a significant increase in the number of households living in temporary accommodation in Hastings, as well as the amount of time people spend living there. This trend has both a financial implications for the council and impacts the quality of life of people living in temporary accommodation.

Introduction

1. The number of people living in temporary accommodation in February 2019 was 153, compared to 107 in April 2018. The average length of stay has also increased from 70.6 days to 116.9 days over the same period. The average cost per day per household currently stands at £34.36.
2. The household profile has also changed, with an increase in the number of families being placed in temporary accommodation.
3. At its meeting in October 2018, Cabinet approved capital funding to purchase its own units of temporary accommodation, to assist the council manage this increase in demand more cost effectively.
4. The council is also exploring a number of options to improve access to long-term accommodation for households living in temporary accommodation.

Pressures on Temporary Accommodation

5. The market for private rented accommodation in Hastings has become increasingly competitive over recent years, this has resulted in higher rents and restricted access for people in housing need.
6. Supply of accommodation in the social sector is also limited. The average waiting time for social housing currently stands at 403 days, although this can be significantly higher for larger family sized accommodation which is in particularly short supply. Turnover of social housing as proportion of the total stock is 0.68% per annum. To date there have been 196 vacancies arising in the social housing stock during 2018/19
7. The impact of the welfare reform agenda in 2012 and subsequent welfare reforms in 2016 has led to a significant reduction in the income of benefit dependant and low income households, which has further limited the ability of many households in housing need to access social housing appropriate for their needs or find alternative long term housing solutions in the private sector.
8. Ongoing reductions in Adult Social Care funding have further impacted, limiting availability into supported accommodation for some groups and discouraging new investment in the sector from traditional providers. This means that a number of individuals with higher level support needs are now looking to access mainstream temporary accommodation. Again, these individuals often struggle to access or retain longer term accommodation in the social and private rented sector, which can result in longer or repeated placements in temporary accommodation.
9. A combination of these factors has resulted in a rise in the number of placements in temporary accommodation and importantly an increased average length of stay, due to lack of genuinely affordable move on options for low income households.

Acquisition of Temporary Accommodation

10. At its meeting in October 2018, Cabinet approved the purchase of a property for use as temporary accommodation. The property comprises a block of five two bedroom flats. The council completed the purchase in February 2019.
11. Cabinet set aside a further £2,500,000 to capital funding to invest in temporary accommodation.
12. The council is prioritising the purchase of family-sized accommodation (minimum 2 bedrooms) as this achieves the largest cost savings and is generally easier to manage than smaller units. The properties will be managed in-house through the Social Lettings Agency (SLA). The SLA business case projects that the council will acquire at least 9 units of temporary accommodation by the end of 2019/20.
13. The Housing Operations Managers have been working closely with the Estates Manager to identify suitable properties. The council has since completed the purchase of three units of temporary accommodation, and had offers accepted on a further four properties. Purchasing these properties will achieve savings in the region of £165,000 each year, compared to traditional bed and breakfast accommodation.
14. A further five properties are also currently under consideration.

Accessing the Private Rented Sector

15. The council's priority for reducing its use of temporary accommodation is to improve access to long term housing solutions
16. The private rented sector in Hastings is large, accounting for over 50% of the total housing stock in some wards. However, many homeless households struggle to access accommodation in this sector without support. Landlords are often reluctant to accept tenants without a proven history of successful tenancy sustainment.
17. Hastings Borough Council recently led a successful bid to the Ministry for Housing, Communities and Local Government's (MHCLG) accessing the private rented sector funding stream, on behalf of Eastbourne, Lewes, Rother and Wealden councils.
18. The project will create a team of tenancy sustainment officers working with individuals and families approaching the council's homelessness services, primarily those living in temporary accommodation, to access new accommodation in the private sector. The officers will then provide ongoing support for approximately 6 months, while the tenancy is established, to ensure the household are able to sustain their accommodation. Funding has also been set aside in the bid for a rent guarantor pilot. It is also intended to adapt the Sussex Homemove website to include private rented sector properties.
19. The MHCLG confirmed the bid had been successful in March 2019. The total value of the project is £372,500. The funding allocated to Hastings for the next financial year is as follows:

3x FTE Tenancy Sustainment Officers	£105,000
Rent Guarantor Pilot	£26,700
Total	£131,700

20. This approach will be mirrored by the other housing authorities in East Sussex.

21. The timescales to mobilise the project are very short. Funding from the project will be used to backfill the council's existing temporary accommodation officer posts from April 2019, while the Tenancy Sustainment Officers are recruited. Temporary accommodation move and rent in advance / deposit payments issued will therefore be included as a project outcome.

Homelessness Prevention and Flexible Homelessness Grant Top Up

22. In March, the MHCLG allocated additional top ups to the councils Homelessness Prevention and Flexible Homelessness Support Grant allocations. The total value of the top ups is £225,000.

23. The additional funding is ring-fenced for the following activities:

- Prioritise prevention activity
- Carry out homelessness activities in line with the principles of the homelessness reduction act
- Reduce or eliminate the use of emergency bed and breakfast, particularly for periods over 6 weeks

24. In February, Cabinet approved the allocation of the original Flexible Homelessness Support Grant Allocation. The priority for allocating the additional top up is to improve access to long term accommodation. It is recommended that the additional top ups are allocated as follows:

Intervention	Allocation	Description
Social Lettings Agency	£35,000	This funding has been allocated as a contingency, to mitigate the risk of any delays in the housing company acquiring properties for rent.
Rent in Advance / Deposits	£60,000	The council originally allocated £120,000 for rent in advance and deposits. Demand for this service is likely to increase as

		a result of the accessing the private rented sector and rapid rehousing pathway projects and it is therefore intended to increase the allocation for this activity.
Rent guarantor scheme	£80,000	The guarantor scheme will focus on facilitating move on from temporary accommodation and supported accommodation to the private sector. A further £26,700 has been allocated to the scheme from the accessing the private rented sector fund.
Tenancy Sustainment	£30,000	The focus of this intervention is to minimise the number of new temporary accommodation placements, by supporting households who are at risk of homelessness sustain their existing accommodation where possible.
Rapid Rehousing Pathway – accommodation costs contribution	£20,000	The Rapid Rehousing Pathway provides funding to create a team of support officers working with rough sleepers and people at high risk of rough sleeping. The grant can only be used to cover staff costs, and it is therefore intended to allocate additional funding to cover temporary and long term accommodation solutions. A further £10,000 has also been re-allocated from our original Flexible Homelessness Support Grant allocation.
Total	£225,000	

25. Any underspend from the top-up at year end; will be used to offset the cost of bed and breakfast accommodation.

Connecting Hastings and Rother Together (CHART bid) – Live, Work, Thrive

26. Hastings Borough Council is leading a bid, developed in partnership with Rother District Council, Education Futures Trust, Fellowship of St Nicholas and Sussex Community Development Association. The project will create a team of mentors, who will support homeless households in the CHART area to access specialist employability and tenancy sustainment support, with the intention of improving access to long term accommodation.

27. The bid is currently being finalised with partners prior to submission. If successful, it is anticipated that the project will be up and running by October 2019. Match funding of up to £70,000 has been set aside from the council's Flexible Homelessness Support Grant allocation.

Wards Affected

All wards

Implications

[Relevant project tools applied? Yes](#)

[Have you checked this report for plain english and readability? No](#)

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness No

Crime and Fear of Crime (Section 17) No

Risk Management No

Environmental Issues No

Economic/Financial Implications Yes

Human Rights Act No

Organisational Consequences Yes

Local People's Views No

Anti-Poverty Yes

Additional Information

None

Officer to Contact

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