

# TONBRIDGE & MALLING BOROUGH COUNCIL

## STRATEGIC HOUSING ADVISORY BOARD

5 January 2009

### Report of the Director of Health and Housing

#### Part 1- Public

#### Matters for Information

##### 1 UPDATE ON HOUSING NEEDS SERVICE

###### Summary

This report updates Members following the return in-house on 17 March 2008 of the homelessness and housing register services (previously provided under contract by Russet Homes).

##### 1.1 Introduction

1.1.1 The first nine months following the return of homelessness and housing register services has seen a number of significant improvements in service delivery, particularly in relation to homeless prevention and temporary accommodation.

##### 1.2 Housing Register

1.2.1 At the return of services, the number of applicants registered on the housing register was in excess of 2,700. A thorough review of all applications was undertaken during May to July. This process identified a large number of applicants who no longer required re-housing, and reduced the number on the housing register to below 1,500.

1.2.2 The following table gives details of the number of households registered on the housing register at the end of each month, with details of the numbers of new applications accepted and the numbers of cancelled applications.

Date	Number on Housing Register	Applications Received (during the month)	Applications Cancelled (during the month)
31.3.08	2,340		
30.4.08	2,385	April – 78	April - 73
31.5.08	2,155	May - 89	May - 234
30.6.08	1,777	June – 94	June – 474
31.7.08	1,533	July – 109	July – 294
31.8.08	1,468	August – 77	August – 68
30.9.08	1,463	September – 107	September - 29
31.10.08	1,448	October – 91	October - 58
30.11.08	1,432	November – 87	November - 43

There is always some variation between the number of applications received/cancelled and the total number on the housing register. This is because not all new applications are accepted onto the register immediately – often further paperwork is required before the application can be processed.

### 1.3 Housing options and prevention of homelessness

- 1.3.1 The number of outstanding homeless cases on 31 March 2008 was 11. These cases are where we have taken a homeless application but not yet reached a decision as to whether a re-housing duty is owed. By 30 September 2008, this had reduced to zero. The number of new homeless applications taken each month has reduced, and currently the Council accepts a statutory duty to re-house around two applicants per month as a result of their homelessness.

1 Date / number of outstanding applications	2 New applications taken during the month	3 Duty to re-house accepted	4 Duty to re-house rejected
31.3.08 - 11			
30.4.08 - 6	April - 8	April - 6	April - 2
31.5.08 - 5	May - 3	May - 4	May - 4
30.6.08 - 3	June - 3	June - 2	June - 2
31.7.08 - 2	July - 4	July - 4	July - 2
31.8.08 - 3	August - 5	August - 3	August - 2
30.9.08 - 0	September - 2	September - 1	September - 3
31.10.08 - 2	October - 5	October - 4	October - 2
30.11.08 - 0	November - 1	November - 1	November - 3

The applications listed in columns three and four are not necessarily the same as those in column two. This is because a decision on a homelessness application not may be reached during the same calendar month it was made.

- 1.3.2 Since April 2008, we have dealt with an average of 143 new approaches to the Housing Options team each month. Of these, approximately one third were given detailed advice on homelessness prevention and alternative re-housing options over the telephone during their initial call and did not need to make any further contact. Many cases had their housing need resolved either by casework, including negotiations with landlords or checking entitlement to welfare benefits, or by assistance into suitable privately rented accommodation. Other cases are ongoing and are continuing to receive advice and assistance.

Month	Number of new approaches to Housing Options team	Advised on homeless prevention/private renting
April 2008	123	Approx. 70
May 2008	173	Approx 115
June 2008	131	Approx 90
July 2008	155	Approx 125
August 2008	131	Approx 120
September 2008	149	Approx 133
October 2008	117	Approx 100
November 2008	126	Approx 105

## 1.4 Private Rented Accommodation

1.4.1 I intend reporting further on the Council's use of rent in advance, deposits and deposit bonds, as part of a wider review of the Council's policies and procedures in this area of work. Current policies were last reviewed by Members in 2000 and I consider them to now need updating. There are currently over 100 loans in place with clients in the private sector. This area of work is hugely beneficial in assisting clients, who otherwise would be seeking social rented accommodation or need bed and breakfast provision, find their own accommodation in the private sector. Use of the private sector in this way is actively encouraged by CLG and is seen as good practice. The Council also receives an annual grant to meet such costs. Nonetheless this area of lending is viewed as higher risk because the clients are often on limited income, in receipt of benefit and lacking assets. Hence the financial risk is evident. I am currently reviewing the level of financial exposure the Council has currently to ensure our position is safeguarded as much as possible in these circumstances. In the meantime, Supporting People are due to announce a grant allocation to assist Councils fund such loans where clients are vulnerable and moving on from supported accommodation. I will update Members at the meeting on any Supporting People grant allocation but will report to a future meeting more widely on this area of work.

## 1.5 Temporary Accommodation

- 1.5.1 The Council is committed to reducing the number of households placed into temporary accommodation, including the use of bed and breakfast accommodation, as a result of becoming homeless. The numbers of applicants in temporary accommodation is now a national indicator which is recorded on a monthly basis.
- 1.5.2 We are continuing to keep in regular contact with all applicants in temporary accommodation to ensure any problems with rent arrears are addressed and that a move on plan is identified.
- 1.5.3 On 31 March there were eight homeless households accommodated in bed and breakfast accommodation, with a further 70 households in longer term temporary accommodation with RSLs within the borough. By September, this figure had

reduced to zero homeless households accommodated in bed and breakfast accommodation, with a further 41 households in longer term temporary accommodation.

Date	Number in B+B	Number in Temporary Accommodation (AST)	Total
31.3.08	8	70	78
30.4.08	10	68	78
31.5.08	7	59	66
30.6.08	4	57	61
31.7.08	3	56	59
31.8.08	2	50	52
30.9.08	0	41	41
31.10.08	3	41	44
30.11.08	0	39	39

## 1.6 County Court Desk service

- 1.6.1 Further to the receipt of a Communities and Local Government grant, additional County Court Desk services have commenced in Maidstone and Tunbridge Wells County Courts from 1 November 2008.
- 1.6.2 The County Court Desk service ensures that any household facing repossession (whether by landlord or lender) and attending Court can receive independent legal advice and be properly represented "on the day". Specialist advice workers from Shelter (at Maidstone County Court) and Citizens Advice Bureau (at Tunbridge Wells County Court) offer advice regardless of tenure (social housing, privately rented, or owner occupier), and will seek to establish if there is a basis to have the claim struck out (due to procedural deficiency) or whether the case can be adjourned or a suspended order given pending further advice or action.
- 1.6.3 At the time of writing this report, we do not have any detailed statistics of the number of households assisted by this scheme. However, since the service became operational in November, we have received court listings from Tunbridge Wells County Courts for possession cases. From the three lists received, there were 57 cases listed for social housing tenants (including 15 Russet Homes tenants), 45 cases listed for owner occupiers and six cases listed for private sector tenants.

## 1.7 Government Mortgage Rescue Scheme

- 1.7.1 On 2 September 2008 the Government announced a new mortgage rescue scheme providing £200m to support up to 6,000 vulnerable owner-occupiers facing repossession over the next two years to remain in their home. These measures have been designed to prevent some of the most vulnerable families in England losing their homes and experiencing the trauma of repossession. The

CML's UK forecast for repossessions in 2008 is 45,000 households, with numbers expected to increase further for 2009.

- 1.7.2 This scheme is aimed at those households in priority need who would be eligible for homelessness assistance, and is subject to a range of eligibility criteria, including a household gross income of less than £60,000 per annum. A maximum property price cap will apply on a regional basis. For the South East region this has been set at £225,000.
- 1.7.3 Depending on their specific circumstances, home owners admitted to the scheme will be offered either a shared equity option, (where there is a minimum equity cushion of 25 per cent) enabling the household's monthly mortgage payments to be reduced, or Government mortgage to rent option (where the income is too low to sustain a mortgage) with the household remaining in the property as a tenant on an assured shorthold tenancy paying below market rent.
- 1.7.4 Tonbridge and Malling Borough Council, along with approximately 60 other Council's in England are fast-tracking the scheme in advance of the national implementation due in January 2009. Mortgage Rescue will operate by bringing together local authorities, Registered Social Landlords, lenders and debt advice agencies, with local authorities taking a pro-active role as case co-ordinators. Potential applicants in financial difficulties and at risk of repossession will be advised to contact their lender who may be able to offer options such as payment holidays, capitalisation of arrears or reduced payments. Once these options have been exhausted, customers will be referred for independent money advice. We have agreed to make referrals for money advice in relation to the mortgage rescue scheme to Tonbridge Citizens Advice Bureau.
- 1.7.5 Following the financial assessment, if a mortgage rescue is appropriate, we will refer the household to Moat Homes, the Home Buy Agent for Kent, who will conclude the purchase.

## **1.8 Homeowner Mortgage Support Scheme**

- 1.8.1 On 3 December the Government also announced the new Homeowner Mortgage Support Scheme to help people who suffer a temporary loss of income to stay in their home. The scheme will help homeowners at risk of repossession through no fault of their own, giving them the confidence they need to rearrange their finances so that they can come through a difficult period without losing their home.
- 1.8.2 The scheme will enable households that experience a significant but temporary loss of income as a result of the economic downturn to defer a proportion of their mortgage interest payments for up to two years. These deferred payments will be "rolled up" and added to the principal, with the borrower paying this off when their financial circumstances improve. They will be able to maintain an affordable monthly payment by extending the term of the mortgage. The Government will guarantee the deferred interest payments in return for lenders' participation in the scheme.

- 1.8.3 The eight largest lenders, covering 70 per cent of the mortgage market, have already pledged that they will work with the Government to develop the scheme. The Government and lenders will work together to develop the details of the scheme with a view to it being available to customers early in the new year.
- 1.8.4 The details of the scheme have not yet been fully agreed with lenders, and so it is not yet possible to say who will be eligible and how many households the scheme will cover. The Government will publish more detail as soon as it is agreed.

Background papers:

contact: Lynn Wilders

Nil

**John Batty**

Director of Health and Housing