

**TONBRIDGE & MALLING BOROUGH COUNCIL**

**STRATEGIC HOUSING ADVISORY BOARD**

**20 July 2009**

**Joint Report of the Director of Health and Housing and Cabinet Member for Housing**

**Part 1- Public**

**Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)**

**1 HOUSING NEEDS UPDATE**

**Summary**

**This report updates Members on the activity of the housing options, homelessness and housing register services.**

- 1.1.1 Following the return of homelessness and housing register services in March 2008, there have been a number of significant improvements in service delivery, particularly in relation to homeless prevention and temporary accommodation.

**1.2 Housing options and prevention of homelessness**

- 1.2.1 The number of new homeless applications taken each month has remained at a low level, and currently the Council accepts a statutory duty to re-house around two applicants per month as a result of their homelessness.

| <b>Date / number of outstanding applications</b> | <b>New applications taken during the month</b> | <b>Duty to re-house accepted</b> | <b>Duty to re-house rejected</b> |
|--|--|----------------------------------|----------------------------------|
| 31.1.09 – 3                                      | January – 7                                    | January – 1                      | January – 8                      |
| 28.2.09 – 2                                      | February – 4                                   | February – 0                     | February - 4                     |
| 31.3.09 – 5                                      | March – 6                                      | March – 4                        | March – 3                        |
| 30.4.09 – 3                                      | April – 3                                      | April –2                         | April –3                         |
| 31.5.09 – 1                                      | May –2   | May – 3                          | May – 3                          |
| 30.6.09 – 5                                      | June – 5                                       | June – 1                         | June – 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.

- 1.2.2 Approximately one third of all new approaches to the Housing Options team are given detailed advice on homelessness prevention and alternative re-housing options over the telephone during their initial call and do 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 with securing suitable privately rented accommodation. Other cases are ongoing and are continuing to receive advice and assistance.

| <b>Month</b>  | <b>Number of new approaches to Housing Options team</b> | <b>Advised on homeless prevention/private renting</b> |
|---------------|---|---|
| January 2009  | 103   | Approx 81   |
| February 2009 | 148   | Approx 122  |
| March 2009    | 178   | Approx 149  |
| April 2009    | 121   | Approx 97   |
| May 2009      | 89  | Approx 74   |
| June 2009     | 140   | Approx 119  |

### 1.3 Temporary Accommodation

- 1.3.1 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. In 2004 the Government set a target to halve the number of households living in temporary accommodation by 2010. Our 2010 target is 41 households.
- 1.3.2 The number of applicants in temporary accommodation is now a national indicator (NI156), which is reported on an annual basis.
- 1.3.3 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 they are actively participating in Choice Based Lettings.

| <b>Date</b> | <b>Number in Temporary Accommodation (AST)</b> | <b>Households in B&amp;B</b> | <b>No of new B&amp;B bookings made during month</b> | <b>Total no of B&amp;B nights booked &amp; average no of nights per household</b> |    | <b>No of households leaving B&amp;B during month &amp; total no of nights they stayed</b> |     |
|-------------|--|------------------------------|---|---|----|---|-----|
| 31.1.09     | 37   | 4                            | 3   | 122   | 24 | 2   | 59  |
| 28.2.09     | 36   | 4                            | 1   | 105   | 21 | 1   | 32  |
| 31.3.09     | 34   | 5                            | 5   | 121   | 17 | 0   | n/a |
| 30.4.09     | 35   | 3                            | 5   | 17  | 6  | 3   | 17  |
| 31.5.09     | 37   | 3                            | 1   | 65  | 22 | 1   | 38  |
| 30.6.09     | 37   | 7                            | 8   | 172   | 14 | 4   | 146 |

- 1.3.4 Although numbers of bed and breakfast bookings have increased in recent months, there is no significant reason for this. Of the seven applicants in bed and breakfast on 30 June 2009, two were intentionally homeless and being

accommodated for a short period following this decision, three had been offered and were waiting to move into alternative accommodation, and two were placed under our interim duty, pending the completion of enquiries into their homelessness.

## 1.4 Housing Register

1.4.1 With the implementation of Choice Based Lettings in April 2009, tenants on Russet Homes transfer list have been amalgamated into the Council's housing register. Applicants are designated as either homeseekers or transfers (if they are existing tenants of RSLs). All vacant RSL properties are advertised as available for either homeseekers or tenants or both to bid on.

| <b>Date</b> | <b>Applications Received (month)</b> | <b>Applications Cancelled (month)</b> | <b>Number on Housing Register</b>                    |
|-------------|--------------------------------------|---------------------------------------|--|
| 31.1.09     | January – 97                         | January – 47                          | 1,434  |
| 28.2.09     | February - 143                       | February – 59                         | 1,443  |
| 31.3.09     | March – 170                          | March – 192                           | 1,421  |
| 30.4.09     | April – 105                          | April – 233                           | 1,364  |
| 31.5.09     | May – 126                            | May – 71                              | 1,978 (includes 1,492 homeseekers and 486 transfers) |
| 30.6.09     | June – 129                           | June - 34                             | 2,073 (includes 1,554 homeseekers and 519 transfers) |

## 1.5 Choice Based Lettings

1.5.1 At the time of writing this report, four advertisement/bidding cycles have been completed, with a fifth still open for bidding. Within the first five freesheets, there have been 136 advertisements, 123 advertised by Russet Homes and 13 by other RSLs. 20 properties have been designated for Russet tenants only. This does not reflect the number of vacant properties as many of the studio flats within the sheltered schemes receive no bids and have been advertised in more than one cycle.

| Issue date | Total number of advertisements | Sheltered | One bedroom | Two bedrooms | Three bedrooms | Four bedrooms |
|------------|--------------------------------|-----------|-------------|--------------|----------------|---------------|
| 1.5.09     | 22                             | 7         | 6           | 4            | 5              | 0             |
| 15.5.09    | 28                             | 9         | 6           | 10           | 3              | 0             |
| 29.5.09    | 32                             | 5         | 14          | 7            | 5              | 1             |
| 12.6.09    | 28                             | 6         | 7           | 8            | 7              | 0             |
| 26.6.09    | 26                             | 6         | 6           | 8            | 6              | 0             |
| Total      | 136                            | 33        | 39          | 37           | 26             | 1             |

1.5.2 At the time of writing, 43 properties have been let with a further 38 under offer. Of the 43 already let, 40 are Russet Homes properties, of which 13 have been allocated to existing Russet Homes tenants. Freesheet feedback reports, which only include those properties let at the time of publication, indicate that seven properties have been allocated to applicants in Band A (urgent need to move), fourteen to applicants in Band B (high priority), ten to applicants in Band C (medium priority) and one to an applicant in Band D (low priority).

## 1.6 Deposit Bond Scheme

1.6.1 Members will be aware from the previous report to the Strategic Housing Advisory Board in May, that there has been a comprehensive review of the Council's Rent and Deposit in Advance policy and accompanying procedures.

1.6.2 Since May, one family has been assisted with a deposit bond, and a further five families have moved into private rented accommodation without the need for a deposit bond or advance from the Council.

## 1.7 Autumn Rough Sleeper Count

1.7.1 In 1998, the Government set a target that by 2002 the numbers of rough sleepers should be reduced by at least two thirds from the then national level of 1,850. This target was met by 2001, and the Government is committed to sustaining this target and reducing rough sleeping to as near zero as possible. The National Rough Sleeping Estimate for 2008 published in September 2008 reported 483 people sleeping rough on the streets of England on any single night, based on the sum of counts undertaken in areas with a known or suspected rough sleeping problem. This represents a 74 per cent reduction in rough sleeping since the 1998 baseline.

1.7.2 The Government is committed to reducing rough sleeping to as near to zero as possible. Progress against the target is measured by regular single night street counts in areas where there is a known or suspected rough sleeping problem.

1.7.3 Tonbridge and Malling does not meet the CLG criteria for a regular count, as there were less than ten rough sleepers recorded on any previous formal count. However, all local authorities in Kent have been invited to participate in a street

count on a single night in the autumn of 2009, which will be co-ordinated by Porchlight.

- 1.7.4 Although I do not anticipate that a street count will reveal a significant problem with rough sleepers in this borough, I intend to participate in the countywide street count on the basis of partnership working and best practice.

## **1.8 Government Action to Prevent Repossessions**

- 1.8.1 Since September 2008, a range of pro-active steps have been announced by the Government in an effort to reduce the impact of the present economic conditions. This has included a commitment by the Financial Services Authority to regulate the sale and rent back market, and encouragement of greater lender forbearance.

- 1.8.2 The eight key Government actions to prevent repossessions are summarised below:

- public awareness campaign launched 20 February 2009. Getting advice early is crucial to helping households avoid repossession. A further £15m funding for debt advice services;
- Additional protection through the courts with the introduction of a pre-action protocol setting out what lenders should do before taking action to repossess. Courts have the discretion to adjourn, stay or suspend proceedings
- Housing repossession court duty scheme providing extra advice for households at court extended and operating across all County Courts from April 2009. Court desks funded by Community Legal Services Commission and contribution from CLG.
- Repossession Prevention Fund – an additional £20 million fund allocated to local authorities in June 2009 to assist anyone threatened with homelessness either through repossession or eviction. For example, it could be used to clear mortgage or second charge arrears in appropriate cases, where this would prevent repossession. Eligible households will receive a Maximum individual loan of £5,000, which is conditional on the household seeking money advice with CAB or other money advice agencies. (see section 1.9 below).
- Enhanced Support for Mortgage Interest (SMI) which provides support for out of work households. Enhanced SMI is payable for two years, with the capital limit doubled to £200,000, and the waiting period reduced to 13 weeks from 39 weeks. Enhanced SMI is effective from 5 January 2009 across the whole of UK.
- Mortgage Rescue Scheme giving support to vulnerable households launched across England on 16 January 2009. Eligible households can

stay in their homes with the assistance of an housing association to provide either a shared equity or mortgage to rent option.

- Homeowners Mortgage Support scheme for households suffering an income shock. This allows a borrower to defer interest and reduce monthly payments. This scheme is effective from April 2009.
- Better protection for tenants. The Government is committed to change the law as soon as possible to give better protection and a decent notice period to tenants whose landlords are repossessed, and is working with lenders to improve best practice.

## **1.9 Repossession Prevention Fund**

1.9.1 Members were advised at the May Strategic Housing Advisory Board that CLG had secured some additional funding to help address the anticipated impact of the economic downturn on levels of homelessness. This was awarded on a sub-regional basis, with Tonbridge and Malling receiving £7,500. As agreed, this funding will be used to support the existing deposit bond scheme.

1.9.2 CLG awarded TMBC a further one-off grant of £38,000 in June 2009 to set up a specific fund for preventing repossessions. This will be administered by the Housing Options Service, and focused on targeting loans at preventing repossessions and evictions across all forms of tenure. In each case the intention is for the local authority to make a loan on the basis of the lender or landlord being prepared to compromise on the debt owed in return for the payment which, in turn, results in the threat of repossession or eviction being removed.

1.9.3 The CLG guidance suggests that this fund could cover:

- one off payments to clear or reduce mortgage arrears where lenders are willing to write down the level of arrears in return from a contribution from the owner. These payments would not be made unless the homeowner had acted on money advice, and was able to meet any existing or newly negotiated monthly repayments;
- one off payments as a contribution to clearing or part settling second charge actions where that charge had been taken out against the property for security;
- payments for a local version of the Mortgage Rescue scheme to supplement the government's scheme or to apply to some groups or circumstances not covered by the Government's scheme;
- one off payments for tenants in the private rented sector or social sector who are in rent arrears due to debt or income shocks due to loss of earnings, reduced hours, with no previous history of rent arrears. This should only be payable following the outcome of money advice where

ability to afford the continuing rent payments were affordable following outcome of debt advice;

- making a joint agreement with a lender, landlord and household to resolve arrears. For example, a third of the arrears could be paid by off through a hardship payment, a third through a repayable loan from the fund, and a third written off by the landlord or lender;
- boost existing prevention funds across the whole range of local authority prevention work; and
- boost existing deposit bond schemes where it is not possible to save the person from homelessness in the property they are.

1.9.4 I propose to use this grant to fund appropriate payments in line with the CLG guidance, to include continued funding for the County Court desk service in Tunbridge Wells, and to supplement the deposit bond scheme.

1.9.5 We are working with Russet Homes who are piloting a pre-tenancy training scheme with YWCA in Tonbridge. Following research amongst young women in West Kent, YWCA have developed a 8 week training programme 'Move In and Get On!' to provide training and advice to young women waiting to be housed or struggling to sustain their tenancies. The course includes modules on understanding their responsibilities as a tenant and a neighbour, personal budgeting and community issues.

1.9.6 The first course is due to start in July 2009, with Russet Homes nominating suitable candidates. I envisage that part of the CLG funding could be used to resource further courses, with candidates selected from those on the housing register or in temporary accommodation.

1.9.7 One family who were at risk of homelessness due to the economic downturn have already applied for assistance with an advance from the fund. Both parents were made redundant, and need to move to gain re-employment. Although they have both found new positions, they are unable to afford all of the costs of moving. Their small redundancy payment will be used to meet the deposit on a private rented property, and all of their removal costs, and they are seeking assistance with the additional rent in advance payment required by the prospective landlord. As both parties will be in full time employment by September, the advance should be repaid within six to twelve months.

## **1.10 Legal Implications**

1.10.1 The Council has a legal duty to provide accommodation for households that are homeless, eligible for assistance and in priority need. In the absence of suitable permanent accommodation, bed and breakfast and other forms of temporary accommodation are made available instead.

## 1.11 Financial and Value for Money Considerations

CLG report that, on average, local authorities have indicated that there is a claim rate of between 10 and 20 per cent where a cashless deposit bond has been granted. Using deposit bonds can potentially provide a significant additional number of homeless prevention outcomes for a small financial commitment.

## 1.12 Risk Assessment

1.12.1 There is a significant risk that levels of homelessness (and the consequent use of temporary accommodation) will increase further as a result of the economic downturn. The Deposit Bond Scheme will reduce the need to rely on bed and breakfast and other forms of temporary accommodation, and prudent use of the repossession prevention fund will ensure that more households can avoid homelessness.

## 1.13 Recommendations

CABINET is **RECOMMENDED** to:

1.13.1 **NOTE** the intention to participate in the countywide rough sleeper count in the Autumn; and

1.13.2 **ENDORSE** the proposed approach for making best use of the additional CLG funding.

The Director of Health and Housing confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

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Nil

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