

Executive Committee

14th March 2017

Release of Housing Reserve funds for homelessness prevention initiatives in 2017/18

For Decision

Portfolio Holder: Cllr Tim Yarker, Housing

Senior Leadership Team Contact : S Hill, Strategic Director

1. Purpose of Report

- 1.1 To request member approval to release £50,000 from the Housing Reserve for use by the Housing Options team in 2017/18 to fund homelessness prevention work in West Dorset.

2. Officer Recommendations

- 2.1 i) That members approve the release of £50,000 from the West Dorset Housing Reserve to fund homelessness prevention work in 2017/18.
ii) That delegated authority is given to the Head of Housing in consultation with the Housing Portfolio Holder to allocate these funds to appropriate prevention initiatives.

3. Reasons for Recommendation

- 3.1 To enable the continued effectiveness of staff in preventing homelessness wherever possible, thereby improving the housing experience of those in need of suitable homes and reducing the prospective need to resort to expensive forms of temporary accommodation.

4. Background Information

- 4.1 Homelessness Prevention Grant (HPG) has been allocated to housing authorities for many years by the department of Communities and Local Government (CLG) using a formula based on demographics, levels of homelessness etc.

- 4.2 The value of HPG was recognised by the government at national level, and until 2015/16 it has remained the only government grant to local authorities identified discreetly from the general financial settlement.
- 4.3 Local authorities were able to determine how to spend it on activities they thought would best tackle and prevent homelessness in their area. Although not ring-fenced, there has been an expectation that HPG would be used to deliver better outcomes, such as:
- Reducing rough sleeping
 - Ensuring that families with children are not in bed and breakfast unless on an emergency basis and for no longer than six weeks
 - Achieving a reduction of temporary accommodation.
- 4.4 Crucially, HPG-funded initiatives ensure that fewer people need to come to the council for assistance, or need to approach us to accept a statutory duty towards remedying their housing situation. Expenditure by the council on these initiatives saves the council money in the long run.
- 4.5 At WDDC, in 2016/17 and in other recent years, the value of its HPG has been in the region of £95,000 per year. Unspent amounts each year have been transferred to the Housing Reserve to be spent in future years. The Housing Reserve is £259,000.
- 4.6 The idea behind putting the annual underspends into a Housing Reserve was to 'plan for a rainy day', when HPG might no longer be available. This will enable valuable homelessness prevention initiatives to continue.

5. Report

- 5.1 From 2016/17, HPG has been incorporated into the Revenue Support Grant and is no longer separated out. The council's overall grant settlement for 2017/18 has also reduced significantly. There is no longer a separate grant that can be earmarked for homelessness prevention work from 2016/17 onwards. Future spending on homelessness prevention measures must therefore come from the Housing Reserve.
- 5.2 The loss of HPG has been mitigated by being able to use the Housing Reserve to fill the funding gap for a number of years to enable investment in homelessness prevention initiatives to continue.
- 5.3 In 2016/17, HPG expenditure at WDDC was agreed as follows:

WEST DORSET	
EDP Street Homeless Outreach Project	£26,500
Discretionary homeless prevention	£10,000
Temporary accommodation contingency (BCHA and Magna contracted accommodation)	£8,000
DV Target Hardening	£2,000
Transitional funding for CABx in Dorchester/Sherborne and Bridport	£6,250
Various <i>ad hoc</i> prevention projects	£2,250
	£55,000

- 5.4 Financial projections indicate that there will be an estimated underspend of £16,000 against these budgets at 31 March 2017. This sum will be transferred into the WDDC Housing Reserve.
- 5.5 Given the realities of the new financial position with regard to HPG from 2017/18 onwards, along with the fact that the Housing Reserve can only last a finite period of time, only a small number of key homelessness prevention measures can be afforded in 2017/18. In choosing which measures should proceed in 2017/18, we have identified key aspects of our service that deliver the clearest benefits for individuals and the wider community in preventing or resolving homelessness. It is proposed that the top priorities to be funded are:

WDDC	
EDP Street Homeless Outreach Project (current contract expires November 2017; new arrangements will be required thereafter)	£26,500
Discretionary Homeless Prevention Fund	£10,000
Temporary Accommodation Contingency (Magna contracted accommodation)	£2,500
Domestic abuse target hardening	£2,000
Homeless Reduction Legislation	£7,000
Various <i>ad hoc</i> prevention projects	£2,000
TOTAL	£50,000

- 5.6 EDP Street Homeless Outreach Project: our contract with EDP delivers an assertive street homeless outreach service. The reduction of rough sleepers is a key national and local priority, and in addition EDP provides emergency accommodation for rough sleepers when the weather deteriorates. Many rough sleepers locally routinely switch between West Dorset and Weymouth and Portland. In quarter three of 2016/17, EDP was dealing with 25 rough sleepers

across the two areas. At the end of that period, EDP informed the council that there were 10 rough sleepers locally. There is evidence nationally and regionally that the incidence of rough sleeping is on the rise.

- 5.7 Discretionary Homelessness Prevention: this enables housing staff to use small amounts of money to prevent homelessness. This has been used, for example, to arrange packages of assistance to delay and prevent evictions.
- 5.8 Registered provider (RP) temporary housing contingency: this is held for meeting costs of liabilities (if incurred) under the contracts for the temporary accommodation for homeless households provided to the council by the RPs.
- 5.9 Domestic violence target hardening: funding has ceased for the local organisation that has been providing a range of additional security measures in properties where an occupier is at threat of domestic violence, and where it is recommended some additional work is necessary. The council is supporting this work to a modest extent as a homelessness prevention measure.
- 5.10 The Homeless Reduction Bill will make changes to the current homelessness legislation contained in Part 7 of the Housing Act 1996. It will place new duties on the Council to intervene at earlier stages to prevent homelessness and to take reasonable steps to help those who become homeless to secure accommodation. It will also expand the categories of people we have to help to find accommodation. This funding will allow us to start preparing for the changes ahead. If this funding remains unspent at year end it will transfer back into the Housing Reserve.
- 5.11 *Ad hoc* prevention projects: a small level of funding for as yet unknown ad hoc prevention projects will help us remain flexible in our responses. If this is unspent at year end, it will transfer back into the Housing Reserve.
- 5.12 Members should also note that the reduction in spending on homelessness prevention comes at a time when the picture nationally and locally is that homelessness is on the rise.
- 5.13 Approval of this proposed expenditure from the Housing Reserve for 2017/18 will leave sufficient levels of reserves to accommodate further expenditure on homelessness prevention in 2018/19, and the Head of Housing will return to members in early 2018 to outline a proposed budget for 2018/19.

6. Financial Implications

- 6.1 There are sufficient funds within the Housing Reserve to accommodate the proposal outlined in this report that £50,000 be allocated from the reserve for

homelessness prevention measures in 2017/18. Around £16,000 of this will be covered by the unspent 2016/17 homelessness prevention budget allocation.

Other Considerations:

7. Legal/Statutory Power

- 7.1 The proposed measures enable the council to fulfil its obligations set out in Housing and Homelessness legislation.

8. Human Resources (including Health & Safety)

- 8.1 None

9. Risk Management

- 9.1 There is an ongoing risk that the council may not to support homelessness prevention expenditure in future, which might jeopardise our ability to tackle homelessness effectively.
- 9.3 The proposals outlined in this report will have an adverse impact on our ability to deliver on our Homeless Strategy action plan. This will be evaluated, and where necessary the strategy will need to be adapted to meet the changing financial environment.

10. Reputation, including Communications and Consultation

- 10.1 Discussions have taken place with voluntary sector partners about the proposed changes.

11. Equalities

- 11.1 Expenditure on the homeless prevention measures outlined in this report will ensure that we are able to provide access to homeless services and our prevention packages for all groups.

12. Crime and Disorder

- 12.1 No specific issues

13. Environmental Considerations

- 13.1 No specific issues

14. Economic Impact Assessment

- 14.1 Is the proposal likely to lead to an increase in the level of skills needed in the local workforce? No
- 14.2 Is the proposal likely to lead to growth in local employment? No. If anything, reducing grants to local organisations will reduce local employment opportunities.
- 14.3 Is the proposal likely to lead to growth in the number of businesses? No
- 14.4 If the overall economic implications are seen as negative what mitigating factors have been considered? None.

15. Corporate Plan (links to corporate aims & priorities)

- 15.1 The recommendations set out in this report fully support the following WDDC Corporate Plan objectives:
 - Empowering thriving and inclusive communities
 - Developing successful partnerships

16. Appendices

- 16.1 None

17. Background Documents (including relevant policy documents)

- 17.1 The council's Housing and Homelessness Prevention Strategies

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