

Management Committee

7th March 2017

Release of up to £54,000 from the General Reserve for homelessness prevention initiatives in 2017/18

For Decision

Briefholder: Cllr Gill Taylor, Housing

Senior Leadership Team Contact: S Hill, Strategic Director

1. Purpose of Report

- 1.1 To request member approval to release of up to £54,000 from the General Reserve and £21,000 from the Housing Reserve for use by the Housing Options team in 2017/18 to fund homelessness prevention work.

2. Officer Recommendations

- 2.1
 - i) That members approve the release of up to £54,000 from the Weymouth and Portland General Reserve and £21,000 from the Housing Reserve to fund homelessness prevention work in 2017/18.
 - ii) That delegated authority be given to the Head of Housing in consultation with the Housing Briefholder 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 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. 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 Councils have not all dealt with their HPG receipts in the same way. WPBC and WDDC have ring-fenced HPG solely for homelessness prevention initiatives, with any unspent sums going into a Housing Reserve at the end of each year. At North Dorset, their HPG has gone into the council's general coffers, with smaller sums being allocated for specific initiatives directly from the General Reserve.
- 4.6 At WPBC, in 2015/16 and in other recent years, the value of its HPG has been in the region of £140,000 per year. The Housing Reserve currently has an uncommitted balance of £7,000.

5. Report

- 5.1 The council was advised by DCLG in late 2015 that HPG will continue to be paid to WPBC at the following levels in the coming years:
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|---------|----------|
| 2016/17 | £140,810 |
| 2017/18 | £141,003 |
| 2018/19 | £141,277 |
| 2019/20 | £141,750 |
- 5.2 However, the council's overall grant settlement for 2016/17 onwards has reduced significantly. The net impact of this is that HPG can no longer be identified as additional income to the council. There is no longer, therefore, a separate grant that can be earmarked for homelessness prevention work from 2016/17 onwards, and the council must instead decide how to spend its grant settlement. Future

spending on homelessness prevention measures must therefore come from the General Reserve.

- 5.3 This loss of a ring-fenced HPG might have been mitigated by being able to use the Housing Reserve to fill the funding gap, but this has been earmarked for other council priorities.
- 5.4 The underspend of approximately £14,000 on the 2016/17 HPG budget, which, as previously agreed, is available for funding future year initiatives. This will be returned to the housing reserve which will then stand at £21,000
- 5.5 There remain, though, a number of important homelessness prevention measures which are required for 2017/18, and the only source for funding these is through the General Reserve.
- 5.6 Given the realities of the new financial position from 2017/18 onwards, only a small number of key homelessness prevention measures can be afforded in 2017/18. In addition, there are a small number of one-off expenditures required, which are outlined below.
- 5.7 In choosing which measures should proceed in 2017/18, we have identified key aspects of our service that we are contractually obliged to continue with and/or 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:

EDP Street Homeless Outreach Project (current contract expires November 2017; new arrangements will be required thereafter)	£26,500
Discretionary homeless prevention	£20,000
Domestic violence target hardening	£3,000
<i>Ad hoc</i> prevention projects	£6,000
Homeless Reduction Legislation	£10,000
Grant to The Lantern project	£10,000
TOTAL	£75,000

- 5.8 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.
- 5.9 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.

- 5.10 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.
- 5.11 *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 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.
- 5.13 The Lantern project's grant funding from Dorset County Council's (DCC) was drastically cut back in 2016/17 for the support they gave to single homeless people with support needs, such as substance misuse and ex-offenders. This meant that Melcombe House, a Bournemouth Churches HA scheme, will no longer receive DCC funding. Instead, The Lantern has been asked to provide an enhanced service to this client group for the next 18 months while the service is reviewed. They asked if the council could help fund this gap. The Lantern were provided with financial assistance of £10,000 for 2016/17, which came from the homelessness prevention budget. This funding enabled The Lantern to function effectively on a day-to-day basis, and helped them achieve successful outcomes for a client group that represents the most socially excluded in society. Failure to help the project through this grant may result in a much greater demand on the council's Housing Options service. It remains a sensible use of money to offset this risk.
- 5.14 Members should 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.
- 5.15 Approval of this proposed expenditure from the General Reserve for 2017/18 will enable a sensible suite of initiatives to proceed. The Head of Housing will return to members in early 2018 to outline a proposed funding requirement for 2018/19.

6. Financial Implications

- 6.1 There are sufficient funds within the General Reserve to accommodate the proposal outlined in this report that £54,000 be allocated for homelessness prevention measures in 2017/18. A further £21k will be available from the Housing Reserve .

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 wish to support homelessness prevention expenditure in future, which might jeopardise our ability to tackle homelessness effectively.
- 9.2 Failure to proceed with the proposals outlined in this report will have an adverse impact on our ability to deliver on our Homelessness Prevention 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.

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 WPBC 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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