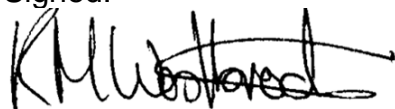


LONDON BOROUGH OF CAMDEN	WARDS: ALL
REPORT TITLE Homelessness Accommodation Strategy (HASC/2016/05)	
REPORT OF Cabinet Member for Housing	
FOR SUBMISSION TO Cabinet	DATE 24 th February 2016
<p>SUMMARY OF REPORT</p> <p>Central government is continuing to implement a number of welfare changes including limiting housing benefit and the merging of several key working age benefits into a single universal credit. Housing in large areas of London is now unaffordable for the vast majority. The Camden Plan aims to reduce inequality while preserving the social mix, and welfare changes present a significant challenge, with many vulnerable people being put at increased risk of homelessness. This report highlights the difficulty that the council is facing in finding affordable property anywhere in London to prevent homelessness.</p> <p>This report is coming to the Cabinet, as although the Council is exempt from the duty to produce a homelessness strategy under `The Local Authorities' Plans and Strategies (Disapplication) (England) (Amendment) Order 2009`, Camden has chosen to disregard this exemption as a matter of good practice in order to ensure continued compliance with recent case law, relating to producing a policy on the procurement of temporary accommodation and the placement of homeless families outside of the host borough.</p> <p>Local Government Act 1972 – Access to Information No documents requiring to be listed where used in the drafting of this report</p> <p>Contact Officer: Rhys Makinson Assistant Director Needs and Resources, Housing and Adult Social Care, Tel: 020 7974 3518</p>	
<p>WHAT DECISIONS ARE BEING ASKED FOR? Cabinet are asked to adopt the Homelessness Accommodation Strategy and associated placement policy (Appendix A).</p>	

Signed:



Rosemary Westbrook
Director for Housing and Adult Social Care

Date: 12 February 2016

1. WHAT IS THIS REPORT ABOUT?

- 1.1 The homelessness accommodation strategy sets out how the Council assists those households who are threatened with homelessness. The associated placement policy identifies how the Council decides what constitutes a suitable offer of housing for a family seeking to avoid homelessness.

2. WHY IS THIS REPORT NECESSARY?

- 2.1 In January 2013, Cabinet approved an approach to providing affordable housing solutions for households at risk of homelessness as a result of the Government's welfare changes. It was agreed that suitable offers of private sector accommodation could be made as a part of package of options to help families avoid homelessness, and in order to discharge the Council's statutory housing duty. As a result of this policy, it was anticipated that homeless households would be placed outside of London due to cost and supply pressures. However as a result of effective individually tailored homelessness prevention work and strategic use of Discretionary Housing Payments (DHP), the vast majority of out of London placements have so far been made on an voluntary basis.
- 2.2 Between April 2013 and June 2015, London housing authorities placed 3,416 households in temporary accommodation outside of London in performing homelessness functions. In the same period Camden placed 24 families representing just 0.7% of that total.
- 2.3 The well documented spiralling cost of private rented accommodation in Camden and across London has made it more difficult to procure suitable, affordable accommodation. According to the GLA, the average median rent for a two bedroom private rented property in Camden is £460 per week but the Local Housing Allowance (LHA) for a two bedroom property is just £302 per week. The gap between average rents and LHA is widening, even in historically cheaper areas of London where the Council has previously been able to procure affordable private rented accommodation.
- 2.4 The Total Benefit Cap (TBC) is likely to be significantly reduced from £26,000 to £23,000, placing even the smallest families in Camden (1 adult, 1 child in a 2 bed) at an increased risk of homelessness. This, coupled with increased competition between authorities for procurement opportunities, will further increase the pressure on the supply of accommodation. It will therefore become more difficult to procure appropriate properties for homeless households within the broader London area. Ensuring that accommodation is affordable is central to the continued success and sustainability of the Council's homelessness prevention strategy. The likely implication of this will be the use of suitable and affordable accommodation outside of Camden and more often than is currently the case, outside London.

- 2.5 Recent case law (Nzolameso v Westminster City Council [2015] UKSC 22) has implications for the approach to allocation of accommodation to homelessness households. The judgment states that there is a statutory duty to accommodate in borough, where reasonably practicable, failing which authorities are under a duty to try to place the household as close as possible to where they were previously living. It also advises that authorities should publish a policy for acquiring sufficient units of homelessness accommodation, and a policy on how these should be allocated to individual homeless households which should be approved by the democratically accountable members of the Council and available to the public. The Homelessness Accommodation Strategy and accompanying the Homelessness Accommodation Placement Policy Note (Appendix A) clearly outline the Council's policies on procurement and individual allocation. Other authorities (for example Islington, Harrow and Waltham Forest) have taken (or are taking) their policies to their Cabinet or equivalent.

3. OPTIONS

- 3.1 **Adopt the Homelessness Accommodation Strategy and associated Homelessness Accommodation Placement Policy (recommended).** This would give a clear framework to the Council's work procuring accommodation for households in, and moving on from TA and into the private rented sector, and would enable the council to assist families to find appropriate and affordable homes.
- 3.2 **Do Nothing.** The financial pressures arising from the rising housing market and welfare changes would impact directly on the Council and homeless families. There is a risk that the reasons for any housing placement would be neither transparent nor compliant with recent case law. Uncertainty around placement policy could lead to additional temporary placements being made within London. This would be costly for the Council and unsustainable for the families concerned as they would not be in a position to pay their rent due to the benefit caps.

4. WHAT ARE THE REASONS FOR THE RECOMMENDED DECISIONS?

- 4.1 The Homelessness Accommodation Strategy sets out a number of key strategic objectives:
- To continue to focus on the prevention of homelessness and to provide sustainable housing options (e.g. through procurement of suitable private sector properties to help families avoid becoming homeless; allowing access within the Council's allocations scheme to the limited amount of social housing available and using the Camden's adult / young person's pathway).
 - Reducing the use of temporary accommodation still further to provide a core provision for emergency use only.

- Continuing to meet the Council's statutory duty to provide housing for homeless families against a context of unaffordable accommodation in Camden and inner London.
- 4.2 Given the exceptionally high costs of the rental market in and around London, the proposed associated placement policy would allow the Council to find homes which are affordable and sustainable. Providing affordable properties is essential to prevent repeat incidents of homelessness and to provide stable and settled accommodation for families. Due to government welfare changes and the cost private housing in Camden, it is likely that many of these affordable homes will be outside of Camden and even outside of London

5. WHAT ARE THE KEY IMPACTS / RISKS? HOW WILL THEY BE ADDRESSED?

- 5.1 An Equalities Impact Assessment (EIA) is attached at appendix B. The EIA identifies that people from ethnic minorities are disproportionately represented amongst homeless families in Camden and that the Government recent welfare changes have increased the risk of homelessness for these groups. It concludes that the Council's homelessness strategy will provide mitigations for those groups more likely to be affected by homelessness.
- 5.2 The key legislative risks are largely beyond the Council's control. Government welfare changes (ongoing and planned) are a significant factor that the Council will need to consider in assessing the affordability of accommodation in delivering the homelessness accommodation strategy. The freezing of Local Housing Allowances (LHA) and the introduction of the Total Benefit Cap (TBC) will make large areas of London unaffordable for many households.
- 5.3 Despite Camden's ambition to build 1,000 rented Council homes over the next 10 years through the Community Investment Programme, the measures included in the Housing and Planning Bill 2015 could further deplete Camden's social housing stock. This could reduce the number of social housing tenancies available for homeless households.
- 5.4 The strategy will continue the Council's focus on supporting families to maintain their home or find another appropriate and affordable home without becoming homeless or requiring temporary accommodation. In the current environment this will inevitably result in a greater number of households securing accommodation further from Camden.
- 5.5 The proposed placement policy should ensure that the most vulnerable households are prioritised for accommodation if units can be identified closer to Camden. The policy also sets out the standards required of properties procured within the private sector. These requirements are designed to ensure that accommodation is of a suitable standard in line with the Camden Plan's objective of reducing inequality and working

with landlords to improve the standards of private rented accommodation.

- 5.6 The strategy also acknowledges the progress on other areas of homelessness. For example rough sleeping by people, that the Council does not have a duty to house, is the most extreme and visible form of homelessness. Performance in working with rough sleepers remains positive even though the number of people sleeping rough is increasing nationally, across the capital and in the borough. There is further work being undertaken to develop the council's strategy for tackling rough sleeping given the increase in numbers, particularly in regards to managing the issue of people with no recourse to public funds. The proposed strategy will be the subject of a future Cabinet report.
- 5.7 Camden's "Pathways model" has been successful in preventing homelessness amongst single homeless people with support needs and, after providing a period of stability, enables them to move on to independent accommodation. In recent years, 200-250 people have moved on annually through the Adult Pathway into independent accommodation, with a significant proportion moving into studio flats in the private rented sector procured by the Council.

6. WHAT ACTIONS WILL BE TAKEN AND WHEN FOLLOWING THE DECISION AND HOW WILL THIS BE MONITORED?

- 6.1 In line with the strategy, the Council will work with partners, within the context of reduced resources and an emerging legislative and funding framework to:
- continue to work to prevent homelessness amongst our residents
 - reduce the number of Camden residents in TA
 - meet the Council's statutory duties to homeless households
 - continue to secure and deliver value for money accommodation for the Council and homeless households
- 6.2 It is probable that demand for affordable housing will continue to outstrip supply in Camden, and housing pressures are likely to increase. The Council will continue to prioritise those with the greatest need for assistance (as outlined in the placement policy), signposting to partner services and recognising that all tenures have a part to play in meeting housing need. The Council will be realistic about the increasing need for applicants to live outside Camden in order to make the most of difficult housing situations and will be transparent in communicating this to residents.
- 6.3 The Housing Scrutiny committee have taken a keen interest in the development of the Homelessness Accommodation Strategy and their input has informed the Strategy which is appended for approval. It is anticipated that the implementation of the Strategy will continue to be scrutinised at future meetings of that committee.

7. LINKS TO THE CAMDEN PLAN OBJECTIVES

- 7.1 The Homelessness Accommodation Strategy links to the Camden Plan's strategic aim of developing new solutions with partners to reduce inequality.

8. CONSULTATION

- 8.1 No formal consultation is required for the drafting of the Strategy however it is informed by the recent consultation on the new allocations scheme, which included wide ranging consultation on access to affordable housing and included households in Temporary Accommodation.

9. LEGAL IMPLICATIONS (comments from the Borough Solicitor)

- 9.1 Camden Council is not required to have a homelessness strategy under the Housing Act 1996 (as amended) due to its exemption by virtue of a 2009 disapplication order (S.I. 2009/714) but has chosen to do so to demonstrate adherence to the high compliance standards demanded by the law. Prior to the key Supreme Court decision in the case of *Nzolameso* [2015] UKSC 22 case law had held it was for a local authority to decide whether it is reasonably practicable under s.208 of the Housing Act 1996 to secure accommodation in their area for a person who has applied to them for housing assistance and that decision could only be challenged on limited public law grounds, on the basis for example that the decision was irrational.
- 9.2 However, *Nzolameso* held that the `Supplementary Guidance on the homelessness changes in the Localism Act 2011` and on the `Homelessness (Suitability of Accommodation) (England) Order 2012` changed the legal landscape with respect to "out-of-borough" placement policies. Its effect is to elevate the relevant guidance and policy – which decisions makers' must have regard to – to a very high level of legal authority.
- 9.3 The combined effect of the 2012 Order and the new guidance was held to be that, if not reasonably practicable to accommodate in their own district, an authority must try to place the household as close as possible to where it had previously been living. Moreover, in deciding whether accommodation is suitable, the authority were required to have regard to the need to safeguard and promote the welfare of the children, a key component in the suitability decision (s.11 of the Children Act 2004). That required identification of the household's individual and collective needs.
- 9.4. By way of guidance in future cases, the Supreme Court also held that - to prevent future problems - authorities should develop policies on the procurement of temporary accommodation, explaining how those units will be allocated; and if there is a shortfall of "in borough" units, what

factors will be taken into account when allocating accommodation outside the borough. Further, that such policy should be publicly available and would in effect bind authorities absent good reason for departure which would need to be explained.

9.5 This is the driver in developing the Homelessness Accommodation Strategy together with the Placement Policy (Appendix `A`) and the supporting Equality Impact Assessment which stands as the essential tool in demonstrating compliance with the Public Sector Equality Duty (Appendix `B`).

9.6 For Camden, two key elements of the Strategy document are identifying and procuring good quality private rented accommodation from fit and proper landlords, and clear criteria in the Placement Policy for prioritisation and allocation and out of borough placement as necessary. Underpinning these as well as the relevant legislation and guidance, the strategy will operate alongside other key policies such as the new Housing Allocation Scheme, Camden's Private Rented Strategy and the Camden Plan. A failure to adhere to the Supreme Court guidance in *Nzolameso* in developing a strategy and policy outlined above leaves the Council open to recurring successful legal challenge.

10. RESOURCE IMPLICATIONS (Comments from the Director of Finance)

10.1 The Council's medium term financial strategy includes a net reduction of £1.5million in the budget for delivering temporary accommodation and £1million on floating support and prevention services between 2015/16 and 2017/18.

10.2 The cost of individual temporary accommodation varies from case to case and is influenced by location, size and the type of temporary accommodation that is procured. The use of temporary accommodation is demand led as the Council has a statutory duty to secure temporary accommodation for people who met the definition of being unintentionally homeless. This means that it is difficult to predict and control future costs. Changes to welfare benefits may affect the Council's ability to secure temporary accommodation that is affordable to homeless households meaning that the Council will need to continue to subsidise the cost of temporary accommodation.

11. APPENDICES

Appendix A: Homelessness Accommodation Strategy and Placement Policy

Appendix B: Equality Impact Assessment

REPORT ENDS