



## **SCRUTINY COMMITTEE REPORT**

Date Written	09 <sup>th</sup> April 2018
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*To: Chair, Ladies and Gentlemen*

# **Homelessness in the County Borough - Update Report**

## **1.0 SUMMARY OF THE REPORT**

1.1 This report provides a brief update (as requested), following the previous report on Homelessness, presented to this Committee on 24<sup>th</sup> October 2017.

## **2.0 RECOMMENDATION(S)**

2.1 Content is noted by Committee Members and any queries raised with relevant officers.

## **3.0 INTRODUCTION AND BACKGROUND**

3.1 The Committee has requested a report providing a further update on homelessness locally, further to the report presented on 24<sup>th</sup> October 2017.

3.2 As previously advised, The Housing (Wales) Act 2014 introduced a raft of changes to housing policy and practice in Wales. This Act is the first piece of primary housing legislation passed by the Welsh Government. The homelessness element of the legislation was enacted in April 2015 and essentially re-formed homelessness law in Wales, including placing a stronger duty on local authorities to prevent homelessness and allowing them to use suitable accommodation in the private sector to discharge duties.

3.3 The new legislation effectively significantly widened the eligibility criteria for access to services, placed a much greater emphasis on prevention of homelessness and

completely changed the administrative process of dealing with homeless applications. The net result of which is that:

- The Department now deals with a far higher volume of cases at any one time
- Housing Solution Officers are required to work with many clients for a much longer period (from 56 days before client is potentially homeless) through the very bureaucratic administration process where we aim to prevent homeless, alleviate homeless or secure accommodation for those the Council holds a 'duty to accommodate' to.
- Cases are becoming much more complex year on year – often due to substance use issues, mental health and rent arrears or other debts.

## 4.0 WHERE WE WERE

- 4.1 The first statistical release for 2015/16 (under the new legislation) had so many data quality issues that it was de-designated as National Statistics. This was primarily due to local authorities IT systems being unprepared for the new data capture methods required and the statutory guidance for recording outcomes was not published by Welsh Government until sometime after the legislation was enacted.
- 4.2 Therefore reviewing 2015/16 data is of no use.
- 4.3 It is also worth noting that pre 2015 statistics are incomparable with post 2015 statistics, as the new legislation fundamentally changed who can access services and how the outcomes for clients are recorded.
- 4.4 The second full year of data – 2016-17 is greatly improved in terms of data quality, however some significant issues remain, which Welsh Government are aware of and trying to address.

**Figure 1: Summary of Homelessness Statistics for Merthyr Tydfil 2016-17**

Total nr of homelessness assessments in the yr	476
Of which were SINGLE persons	331 or 70%
Cases found NOT HOMELESS	92
Prevention success rate	61% (Doesn't mean 39% unsuccessful)
Successful Relief rate	33% (Doesn't mean 67% unsuccessful)
S66 cases	103 outcomes
S73 cases	178 outcomes (128 of which SINGLE persons)
S75 cases	5 outcomes (c. 1% of cases)
Cases resolved by Private Rented Accommodation	40 (c.50% with £ incentives)
Nr of cases which resulted in no positive outcome	115 cases (24%)

## 5.0 WHERE WE ARE NOW - CURRENT PRESSURES

- 5.1 Full year, 2017-18 validated data will not be available until May/June 2018, therefore we are unable to draw accurate conclusions on the overall trends at this time. However the service pressures are clear and remain as reported in the October 2017 report (see 5.2)
- 5.2 Pressures upon the service and hence staff continue to increase due to a number of factors beyond our control. The main factors include:
- Continuation of Welfare Reform – which is reducing the money available to many of the most vulnerable households in the County Borough
  - Merthyr Tydfil has a high Welfare/Benefit dependency – so is disproportionately affected.
  - Local Housing Allowance (LHA) – the rate at which housing benefit or Universal Credit is paid – is the second lowest in Wales here in Merthyr Tydfil. This means that most private rented accommodation is becoming unaffordable to persons on Welfare Benefits.
  - Those hardest hit by the LHA rate are single persons under 35 yrs old – who only receive £48 p/w for housing costs in the private rented sector. There are no bedsits available in the County Borough at this rate.
  - From Figure 1 above you will note that 70% of homelessness presentations in Merthyr Tydfil are single persons.
  - More clients than ever present to the department with complex issues including significant medical problems, mental health issues, substance and alcohol issues and significant rent arrears or debts. More clients than ever before are presenting with all of the above issues, making resolving their housing issue far more complex and challenging.
  - Rough sleeping (acute homelessness) has increased locally and even more so nationally. During the 2016 rough sleeper count, we recorded 4 individuals sleeping rough. Cardiff routinely has 100 now – 3 times the figure from just a couple of years ago.
  - There is a distinct lack of specialist accommodation locally which caters for persons with complex needs.
- 5.3 Based on data from quarters Q1-Q3, the department are likely to undertake circa 600 homelessness assessments in 2017-18. This is a 26% increase on the 476 assessments undertaken in 2016-17.

**Figure 2.0 - Anticipated loss by 2020-21 arising from post-2015 welfare reforms in the Valleys** (Source: HM Treasury, OBR and authors' estimates based on official data)

	£million per annum	£ per working age population
Rhondda, Cynon, Taf	44	290
<b>Merthyr Tydfil</b>	<b>12</b>	<b>320</b>
Caerphilly	34	300
Blaenau Gwent	13	300
Torfaen	16	280
Valleys	118	300
Wales	514	270
Great Britain	9,430	230

5.4 Figure 2.0 above shows the significant amount of money that is estimated to be stripped from the local economy per annum as a result of welfare reform. It is worth noting that figure 2.0 does not take into account the raft of welfare reform changes which occurred between 2010 and 2015, which also significantly reduced the benefits paid to the most vulnerable in our society.

5.5 It is the report author's view that the vast sums of money removed from the welfare benefit system is the primary reason for increases in homelessness (and the increases in mental health issues nationally).

## 6.0 WHERE WE ARE NOW – OUR RESPONSE TO THE PRESSURES

6.1 In response to the increasing pressures on the Housing Solutions Team caused by the increasing prevalence of homelessness locally (and nationally), significant work has been undertaken to try to mitigate some of the effects of such pressures. The next page outlines some of the actions taken to date.

- Co-located support agencies within the Housing Solutions Team – namely Gofal, Adref (Streetsmart), Wallich (Bond Board) and Llamau (Mediation)
- Co-located Supporting People Team with Housing Solutions Team – to better inform commissioning of services
- Supporting People Team Fund 2 full time hostels (20 beds) and some floating support services (£410k). See figure below.
- Supporting People Team fund supported living schemes x2 and some specialist support services (£175k)
- Recently appointed a Temporary Accommodation Officer to 'smooth' the flow of clients through the various housing pathways & to maximise use of existing accommodation available to us
- Council have approved a cold weather plan
- The Housing Solutions Team secures premises each year for the Winter Night Shelter – which is run by volunteers

- Continue to develop accommodation options – such as Private Sector Leasing and use of the Private Rented Sector, which is becoming a greater challenge due to low levels of local housing allowance (LHA)
- Commissioned Emphasis Project – Llamau
- Developing a Housing First Model for Merthyr Tydfil
- Purchased a new IT system- CIVICA to help with administration of Homeless Cases – and allocation of social housing, now operational after 9 months development work

**Figure 3.0 Services commissioned by Supporting People Team (relevant to Homelessness)**

Scheme	Provider	Budget
Garth Villas – Homeless Hostel (18+ yrs)	Adref	£197,956
Streetsmart – Fixed and Floating support for street homeless/in insecure accommodation	Adref	£33,624
Young Person’s Homeless Hostel (16-24 yrs) – Age temporary increased mid Sept 17 to 16-35 yrs as a trial	Adref	£178,015
	<b>TOTAL</b>	<b>£409,595</b>

Scheme	Provider	Budget
Garth Newydd Court (SP Element only). (16-21 yrs) Children’s services also fund this provision.	Llamau	£14,523
Flocks – Move on Accommodation (16-22 yrs)	Llamau	£32,818
MV Homes Floating Support	MVH	£127,791
	<b>TOTAL</b>	<b>£175,132</b>

**Figure 4.0 Bed & Breakfast Expenditure by the Housing Solutions Team**

	17/18 estimated	16/17	15/16	14/15	13/14	12/13	11/12
<b>Total Payments</b>	48,000	45,019.20	31,632.44	61,694.33	36,798.38	40,050.76	32,418.20

6.1 B&B accommodation is typically used for short periods whilst officers assess someone’s homelessness application to determine whether they are actually homeless and what (if any) statutory duty we may owe to them.

6.8 The Housing Solutions Team also invests over £12,000 (from grant and core funding) in homelessness prevention activities such as paying off some arrears, paying bonds etc...

## 7.0 WHERE WE ARE NOW – OUR PROJECT RESPONSE

7.1 It is becoming ever clearer that the Council's Housing Solutions Team cannot address the increasing prevalence of homelessness in isolation. To this end we have developed a number of potential projects which will aim to address certain aspects of homelessness by mitigating some of the impact of the causal factors (such as welfare reform).

### 7.2 Shared Accommodation Project Update

This project aimed to address the ridiculously low local housing allowance rate for single persons Under 35 years old – of £48 p/w which already exists for the private rented sector currently, but which was also planned for the social housing sector from April 2019.

7.3 However, on 25<sup>th</sup> October 2017, the UK Government announced a surprising u-turn on the local housing allowance cap, and abolition its intention to introduce it for social housing and supported housing.

7.4 As a result, it was unanimously decided by all partners working on the Merthyr Tydfil Shared Housing project to cease any further work on it at this time. Although the LHA cap for the private rented sector remains a real issue locally, especially for single people under 35 years of age, developing a sustainable Shared Housing Project is fraught with the following difficulties:

- There isn't a culture of sharing accommodation in Merthyr Tydfil. Consequently promoting sharing a house with a stranger to clients is therefore a difficult and time consuming task.
- Evidence from places like Cardiff, where there is a culture of sharing in the student and professional housing markets, suggests that sharing at LHA rates is more problematic
- There are additional management costs for housing associations when dealing with shared housing
- There are policy frictions between housing benefit regulations and Council Tax regulations, which make the formation of the tenancy arrangements, complicated.
- There are potentially significant void costs which may be incurred where one sharer decides to move out.
- Evidence and some experience, suggests that finding another suitable sharer to enter the property, can be problematic. The original tenant/licensee can often be quite 'choosy' on who they agree moves into the property with them

7.5 The Housing & Community Safety Manager met with the Director of the Chartered Institute of Housing (CIH) in early February 2018 to discuss a way of continuing the campaign to reconsider the LHA cap for the private rented sector, or at the very least reviewing the rates in parts of Wales.

## 7.6 Housing First

7.7 Since the last report in October 2017 the following progress has been made:

- A grant of £21,000 has been secured from Welsh Government to assist with developing the project
- Two of the Merthyr Tydfil based housing associations have agreed in principle to participate in the project and will look to provide two, single person units of accommodation each. Total of 4 units.
- South Wales Police have agreed to support the project and will consider placing 'markers/flags' on the HF properties, once occupied to identify them to officers, they will consider the properties in their patrol strategies, they will consider use of PCSOs as appropriate to provide community reassurance and the project will become a standing agenda item on the Quality of Life meetings – which discuss antisocial behaviour issues locally.
- In January 2018 a meeting was held with the Director of Mental Health Services locally, who was supportive of the scheme. The NHS advice was to appoint a 'care co-ordinator' to support the Housing First clients to engage with public services, including mental health.
- We have discussed and agreed with Supporting People colleagues to fund a support worker/care co-ordinator type role, which will provide intensive housing related support to the four individuals accepted into the project. This has been included in the 2018-19 supporting people budget plan.
- At a Homelessness Event held in the Orbit in November 2017- significant support for the housing first model was received from local church groups and homelessness volunteers. As the project detail develops, such support will be crucial to the success of the scheme, as the volunteers may act as peer support or mentors to the individuals within the project
- A meeting with local drug and alcohol treatment and support services has been arranged.

7.8 It is anticipated that a new supporting people service (key-worker) will be commissioned and in place for May 2018, which will hopefully provide enough time to source at least some of the four properties initially proposed for the project.

7.9 Selection of project participants will be undertaken by a multi-agency panel, with a view to trying to select those persons who are ready and willing to engage in services. The list of attendees at the Winter Night Shelter is likely to form the basis of the selection pool in the first instance.

## 7.10 Development of a Supported Accommodation Gateway and Temporary Accommodation Officer

7.11 The Temporary Accommodation Officer (TA Officer) has now been appointed, not a new member of staff, but a reconfiguration of an existing role. The key purpose of this role is to arrange and oversee the entry and move-on from the 3 B&Bs, 2 Hostels, 3 Merthyr Valleys Homes Temporary Accommodation Flats schemes and Private Sector Leasing units.

7.12 The purpose of which is to reduce use of B&B which has significant risk associated with it, to ensure all persons owed a statutory duty (homelessness or any other

(looked after), are prioritised for hostels ahead of all clients – allowing full assessments to be undertaken including duties owed, next steps, client wishes, affordability, support plans etc...

7.13 The TA officer will be co-ordinator for the Supported Accommodation Gateway – arranging meetings, accepting referrals, maintaining a database of clients, 'waiting list', capturing demand data and translating this into service intelligence – identifying the type of services/accommodation not currently provided locally, for which there is evidential need. This will in turn influence future commissioning decisions.

7.14 This approach required reconfiguration of the 2 'homeless hostels'. Until the 8<sup>th</sup> January 2018 they both permitted direct access, which meant that people who are not homeless (as defined in statute) could enter the premises and receive a licence to remain. The knock on effect was that when the Council had a statutory duty to provide someone with temporary accommodation, there was rarely any availability, forcing us to use Bed & Breakfast establishments. Significant work and engagement over a two year period has finally culminated in removal of direct access.

7.15 In the month since direct access was removed, we have seen significant improvements in our ability to place individuals in the hostel based upon level of support need, and not simply if there is room or not.

7.16 Further work is required over the coming months to further refine this process.

#### **7.17 Merthyr Tydfil CBC's first Homelessness Event (14<sup>th</sup> Nov 2017)**

7.18 Event was held on 14<sup>th</sup> November 2017 (which scrutiny members were invited to), to raise the profile of the issue locally, to outline the current pressures on the local authority and other services, to highlight some of the good work being undertaken to address the emerging issues.

7.19 Attendance was very good, with full capacity achieved. A number of key agencies were present and a large contingent of local volunteers and faith groups.

#### **7.25 Cold Weather Plan**

7.26 Council approved the Cold Weather Plan in December 2017. The Council is legally required to have a Cold Weather Plan, to outline our response to severe weather events, where rough sleepers may be significantly harmed or die. The plan essentially sets out our response – which entails working with colleagues in the third sector (which are commissioned by the Council) to actively seek out rough sleepers when temperatures drop below zero degrees Celsius to try to engage them with services (statutory and voluntary).

#### **7.27 Winter Night Shelter**

7.28 The Shelter, located above the bus shelter in the town centre, opened its doors again this year on 3<sup>rd</sup> January 2018. Occupation rates have been significantly higher than previous years. All 10 beds have been filled on many of the nights thus far.

7.29 There have been some minor incidents reported to us in relation to its operation, but nothing of real concern to date.

### **7.30 Annual Rough Sleeper Count**

Welsh Government require all local authorities to conduct an annual 2 week survey with all local agencies who engage with rough sleepers, to establish the prevalence of the issue locally.

7.31 In addition to this 2 week survey, we are also required to arrange a snap shot physical survey of all known locations of rough sleepers on a particular night in November. This is a national snapshot survey. In November 2016 – we found and engaged with 4 rough sleepers in Merthyr Tydfil.

7.32 On the November 2017 one night count – 8 individuals were found and engaged with. All were present at a local derelict building. All were known to the Housing Solutions Team. Some of these persons are now within the Winter Night Shelter.

### **7.33 Private Sector Leasing Scheme**

7.34 The number of properties at our disposal has now increased from 6 to 8. Said properties are proving to be an invaluable resource in discharging our temporary accommodation duty to homeless people in priority need.

## **8.0 WHAT WE NEED TO DO NEXT**

8.1 The large number of projects at various stages of development and implementation contained with section 7.0 of this report will provide the main focus of our work for the next 12 to 18 months.

## **9.0 CONTRIBUTION TO WELLBEING OBJECTIVES**

9.1 **Best Start to Life** – there is significant evidence to show the devastating effects that homelessness can have on families with children. Being placed in temporary accommodation, for even the briefest of periods can be very upsetting and even neurologically damaging for children. The stress and anxiety caused within households facing homelessness inevitably leads to the prevalence of more Adverse Childhood Experiences (ACEs) for children caught up in the situation. Many of the projects and services outlined in this report are aimed at preventing homelessness, providing support to families in crisis and to quickly find new accommodation for those who find themselves homeless.

9.2 **Working Life** – it is very difficult if not impossible to sustain employment if an individual becomes homeless. Furthermore it is very difficult to focus upon finding employment, when an individual's basic human needs – shelter, are not satisfied. Therefore homelessness services are crucial to enabling people to find and sustain employment.

9.3 **Living Well** – chronic rough sleepers and those 'marginally/tentatively housed' are often (but not always) substance users and most, if not all, have three or more Adverse Childhood Experiences. This often leads them into crime to fund their habit, typically manifesting itself in petty crime such as shop lifting, but also more serious crime such as public order offences, violence and assaults. This behaviour inevitably

has a negative impact on a communities' perception of safety. Homelessness can have a catastrophic effects on a person's physical and mental wellbeing. Numerous studies have shown that the prevalence of disease and mortality in rough sleepers for instance is far higher than the general population. At the less acute stages of homelessness – cases where persons are going without food to pay rent or other costs (often debts) are sadly increasing with an inevitable detrimental effect on the person's physical and mental health. Almost all of the projects outlined in this report focus upon enabling people to find suitable and affordable accommodation which meets their needs and aspirations to live well and to live independently.

**ELLIS COOPER**  
**DEPUTY CHIEF EXECUTIVE**

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**REGENERATION & PUBLIC PROTECTION**

<b>BACKGROUND PAPERS</b>		
<b>Title of Document(s)</b>	<b>Document(s) Date</b>	<b>Document Location</b>
	NONE	
<b>Does the report contain any issue that may impact the Council's Constitution?</b>		<b>No</b>