



## **FULL COUNCIL REPORT**

Date Written	26/11/2018 **
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Service Area	Housing
Exempt/Non Exempt	Non Exempt
Committee Date	19 <sup>th</sup> December 2018

*To: Mayor, Ladies and Gentlemen*

# **Homelessness Strategy for 2019-2024**

## **1.0 SUMMARY OF THE REPORT**

- 1.1 This report provides an outline of the key findings of the corporate Homelessness Strategy for 2019-2024.
- 1.2 Following a review undertaken from November 2017 to November 2018 a Homelessness Strategy for Merthyr Tydfil CBC has been produced.
- 1.3 The production of a Homelessness Strategy for local authorities is a requirement of the Housing (Wales) Act 2014. The legislation requires Council approval by the 31<sup>st</sup> December 2018.

## **2.0 RECOMMENDATIONS that**

- 2.1 Council adopts the Homelessness Strategy for 2019-2024 to enable the Local Authority to meet the Welsh Government deadline of adoption of the strategy by 31<sup>st</sup> December 2018.

## **3.0 INTRODUCTION AND BACKGROUND**

- 3.1 This report focuses on the outcomes for the Council's Homelessness Strategy. Updates on the progress in developing the strategy were provided to Regeneration and Public Protection scrutiny in October 2017, February 2018 and October 2018.

3.2 The Housing (Wales) Act 2014 placed a legal responsibility on all local authorities to develop a four year homelessness strategy, to be approved in 2018, which will outline the corporate approach to preventing and alleviating homelessness.

3.3 Details of how the Strategy was produced are contained in section 5.

## 4.0 WHERE WE WERE

4.1 The new homelessness regime within the Housing (Wales) Act 2014 came into force in April 2015. As the legislation is complicated and its implementation subjective at an operational level; only now are local authorities beginning to record data in a more consistent way.

4.2 The national statistics for 2015-16 were de-classified as a national dataset due to inconsistency in the recording of outcomes data by local authorities, a major cause of which was case management systems which were incapable of recording multiple outcomes per case, rather than only one outcome per case (recorded under the previous homelessness legislation).

4.3 **Figure 1** below outlines the number of households THREATENED with homelessness (for which the Council has an opportunity to prevent them becoming homeless)

	Households threatened with homelessness	Households with a successful outcome	Prevention Rate	Welsh Prevention Rate
2016/17	102	63	62%	62%
2017/18	114	60	53%	66%

4.4 The main reasons for a household being threatened with homelessness have remained the same for 2016/17 and 2017/18. These are the loss of a rented property, or rent arrears in the private or socially rented sector.

4.5 **Figure 2** below outlines the number of households who presented to the Council as currently homeless and those for whom the Council was working with, but could not prevent their homelessness

	Homeless Households	Households with a successful outcome	Relief Rate	Welsh relief Rate
2016/17	210	76	36%	41%
2017/18	239	79	33%	41%

4.6 The main reasons for a household becoming homeless in 2017/18 is parents asking them to leave; Non Violent Relationship Breakdown and leaving prison:

4.7 The key information to explain why Merthyr Tydfil's prevention rate and relief rate is lower than the Welsh average is:

- 83% of presentations to the service are single people (2017-18)
- The local housing allowance (LHA) rate for a single person under 35 years of age is only £48. This is the housing costs they will receive towards private rented accommodation. A typical one bed flat or bedsit in Merthyr is between £60 - £70 p/w. Therefore the private rented sector is unaffordable for all under 35's who are not working.
- There is a distinct lack of one bed accommodation in both the social and private rented sector, this leads to significant unmet housing need within the local housing market.

## **5.0 HOW THE REVIEW WAS UNDERTAKEN**

5.1 A full statistical analysis of the past two years homelessness data was undertaken. This outlined the main reasons for homelessness in the borough as well as the main households that were presenting as homeless or threatened with homelessness.

5.2 A further analysis was taken on the impact welfare reform was having on homelessness and the availability of affordable housing available to discharge homelessness duties into.

5.3 Face to face consultations were held with our partner Registered Social Landlords; volunteer organisations and relevant third sector organisations to establish their view on homelessness in the area and what could be done to try and tackle homelessness

5.4 An event was held in the Orbit Centre to collate views of all agencies working with individuals threatened with or actually homeless to raise awareness of the homelessness review and to provide another opportunity to collate relevant views

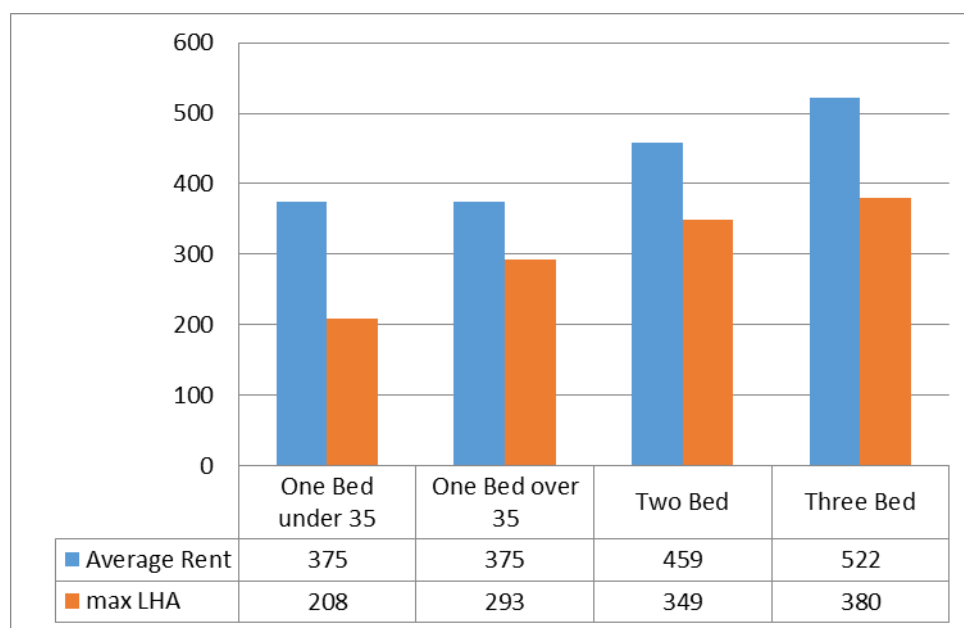
5.5 The current use of temporary accommodation was also analysed to establish where there were gaps and any financial implication on the department for continuing use of our current provision of temporary accommodation.

## 6.0 KEY FINDINGS OF THE HOMELESSNESS REVIEW

6.1 Some of the key findings include:

6.2 **Affordability:** The private rented sector in Merthyr Tydfil is becoming increasingly unaffordable for households reliant on Housing Benefit or universal Credit to pay the rent.

**Figure 3: Rent shortfall if in receipt of full LHA rate**



6.3 The graph shows monthly rent amounts following the introduction of Universal Credit, those dependent on benefits now receive their payments monthly. The monthly rent shortfalls are show below:

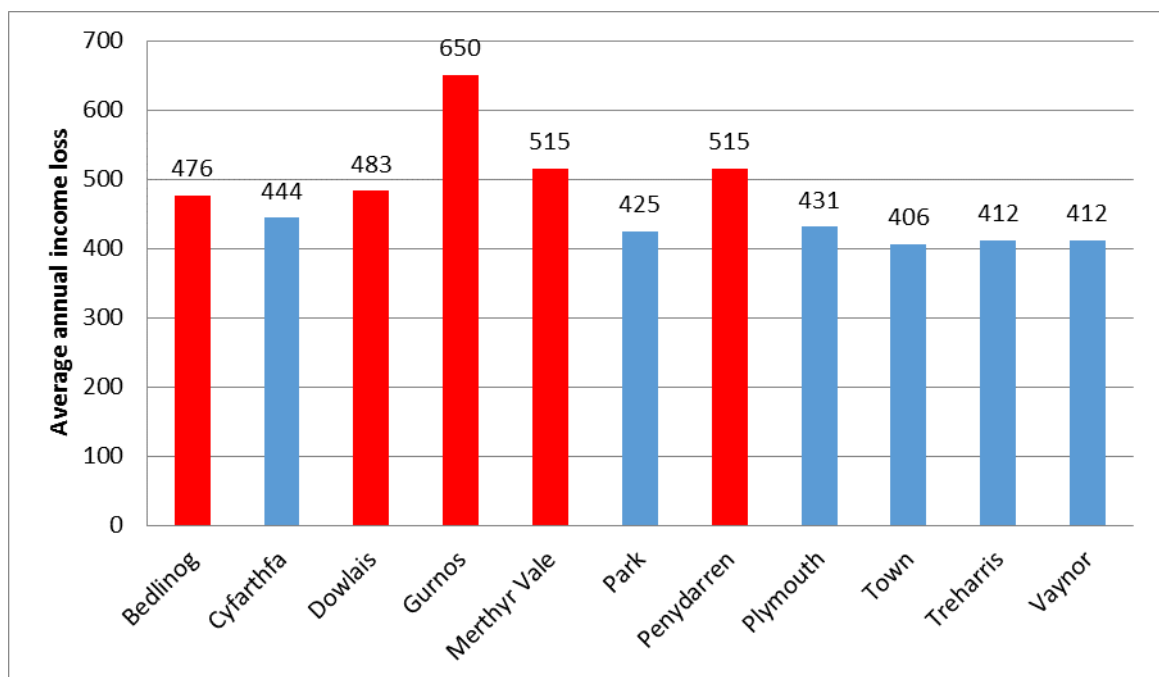
Property Type	Monthly Shortfall
One Bed under 35	£167
One Bed over 35	£82
Two Bed	£110
Three Bed	£142

6.4 Analysing these shortfalls using average Universal Credit Rates, the remaining income households have for the month is as follows (i.e. money to pay for essential living costs- food, travel, energy etc..)

Property Type	Monthly Income after housing costs	Weekly Income after housing costs
One Bed under 35	£117	£27
One Bed over 35	£235	£54
Two Bed	£568	£131
Three Bed	£767	£177

6.5 **Welfare Reform:** A 2016 report by Sheffield Hallam University found that by 2020/21 the average annual loss of income for a working age Adult in Merthyr Tydfil would be £470 (Beatty et al 2016: 19). This equates to the 17<sup>th</sup> largest loss of income for the UK as a whole. The high level of impact of Welfare Reform in Merthyr Tydfil has been attributed to the fact that nearly 25% of the population aged 16-64 claim working age benefits (Welsh Government 2014). The loss of income is not distributed evenly across the Borough.

**Figure 4: Average annual income loss per household by 2020/21**

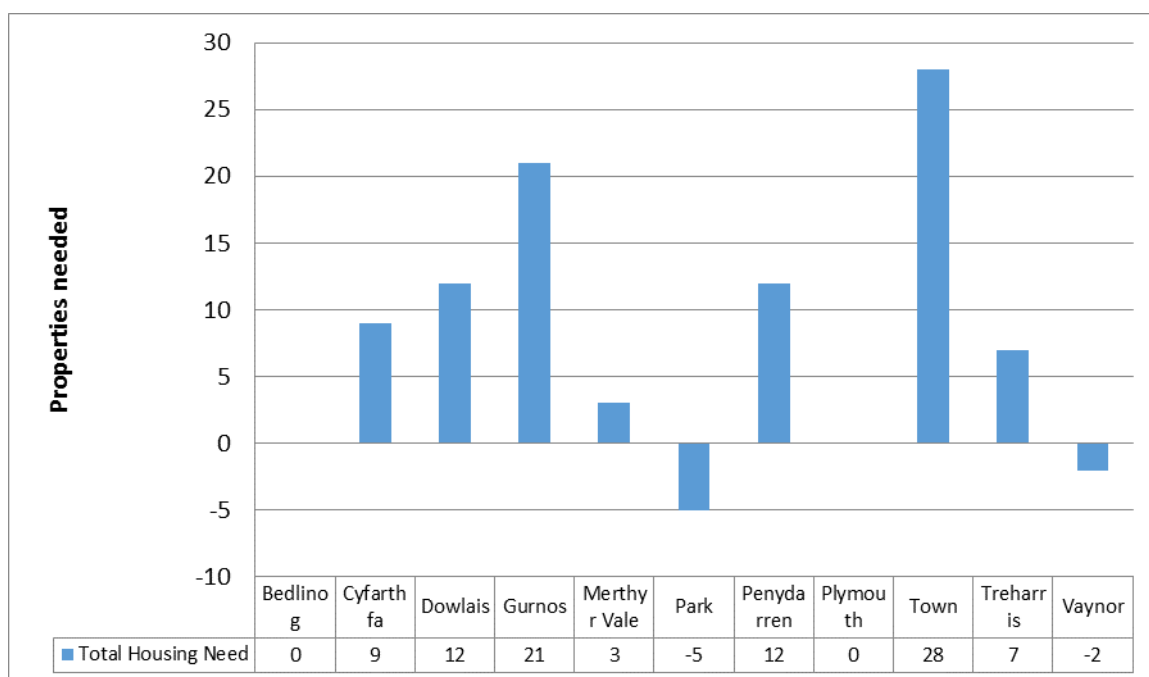


- 6.6 There is a significant shortage of one bed accommodation available in the social and private rented sector. The properties available in the private rented sector require bonds, payment in advance, references and come with a rental value of £60-£70 which is totally unaffordable for anyone under 35 years old and on Universal Credit.
- 6.7 The vast majority of homelessness is alleviated by the Housing Solutions Team securing a housing association property for the client. The numbers are increasing and are probably unsustainable.
- 6.8 Service demand is increasing year on year – coupled with an increasing number of complex cases, means that the Council’s ability to meet its statutory obligations is being increasingly difficult with current resources.
- 6.9 Merthyr Tydfil has the 5<sup>th</sup> highest number of citizens in prison of all 22 LAs. The three cities are top then Flintshire then Merthyr Tydfil – with 250 citizens in prison as of June 2018. This disproportionate number of offenders provides a significant challenge for the Housing Solutions Team – as depending on the nature of the

offence, significant additional work is required to secure them or help them secure accommodation upon release.

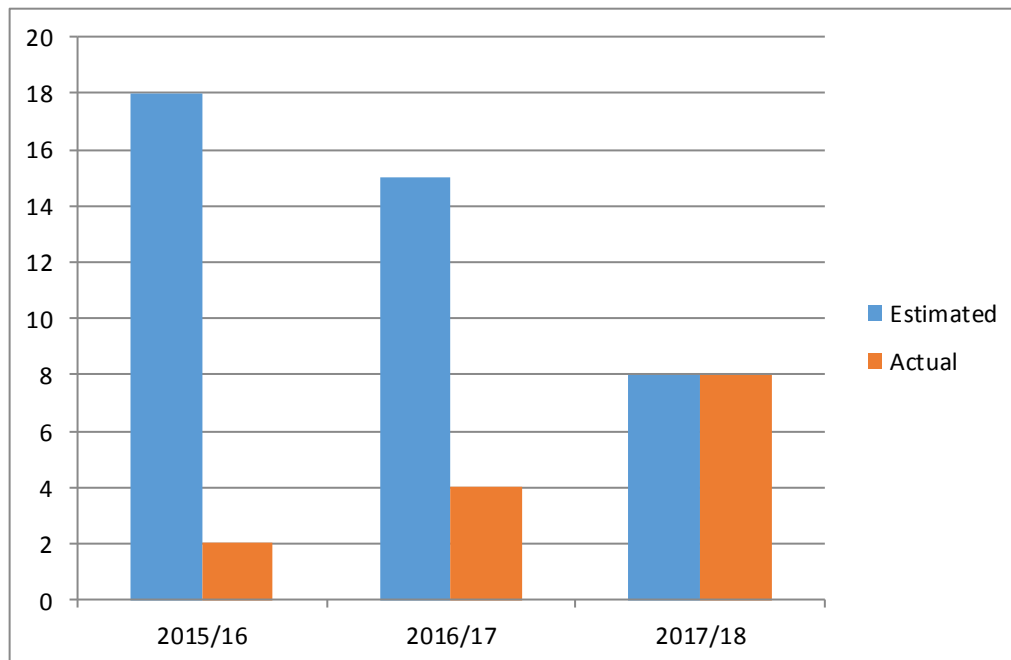
- 6.10 **Housing Need** – it is clear that the demand for one bed accommodation is outstripping supply. The low numbers of affordable and available one bed accommodation in the private rented sector means that the Council are increasingly over reliant on social housing to successfully discharge our prevention and relief duties. This is unsustainable.

**Figure 5 – Housing Need for general purpose one bed accommodation**



- 6.11 **Rough Sleeping** - is the most acute and visible form of homelessness. For the last two years, the Welsh Government has required local authorities to conduct a count of rough sleepers. For a two week period in the autumn, questionnaires are sent to third sector and voluntary organisations in the borough known to engage with rough sleepers, to establish how many individuals they are engaging with and where they are bedding down for the night. This information subsequently informs a mandatory (snap shot) one night physical rough sleeper count in November each year. Places identified, through intelligence, are visited and rough sleepers engaged with and encouraged to access support services.

**Figure 6: Merthyr Tydfil Rough Sleeper Count Outcomes**



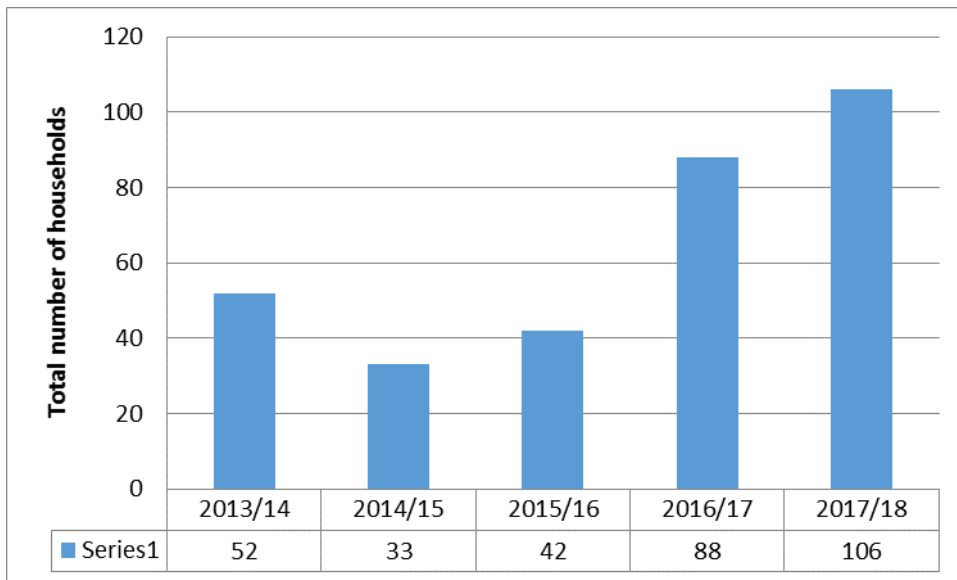
NB: The estimated figures are the numbers provided in completed questionnaires.

6.12 There is a clear rise in the number of rough sleepers found on the one night count in the borough. This trend is a national phenomenon, with cities experiencing far greater increases in rough sleeping than Merthyr Tydfil. Some local volunteer organisations suggest the one night count approach, significantly underestimates the true numbers of regular rough sleepers. This may be due to the fact that the local rough sleeping population fluctuates throughout the year and is dependent on a wide range of factors such as:

- Weather
- The ability to stay with friends
- Prison sentences

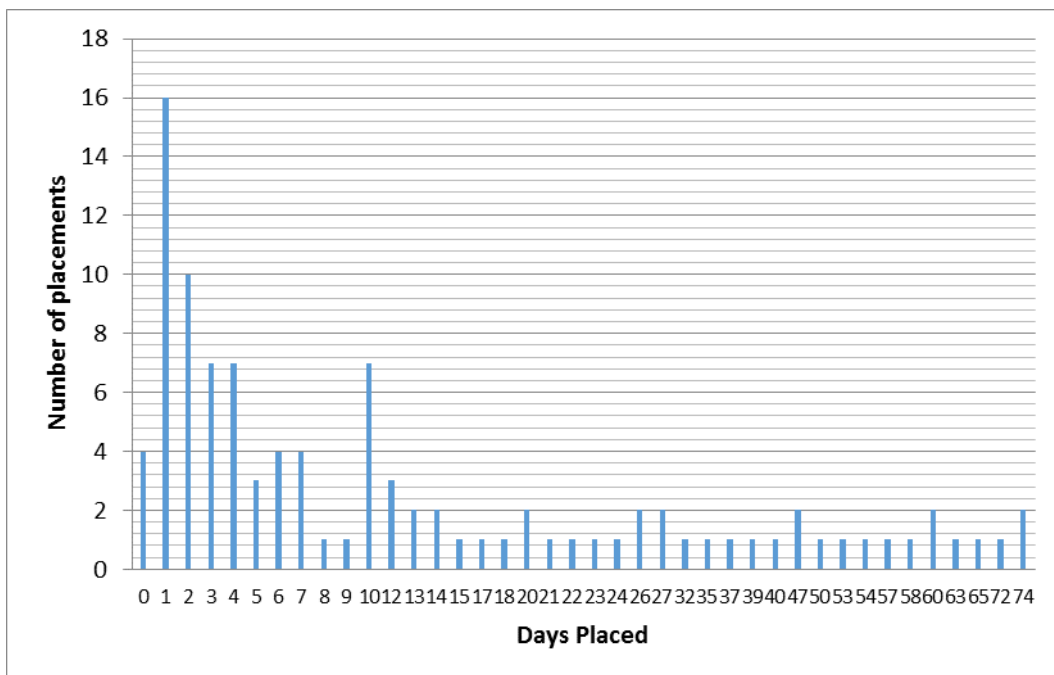
6.13 **Reliance on Temporary Accommodation** - Our bed & breakfast use is increasing over time. Since the introduction of the Housing (Wales) Act 2014 our use of B&B is steadily increasing.

**Figure 7 – Increasing Use of B&B Accommodation**



The average length of stay in 2018/17 was 16 nights. However there are several placements made for shorter lengths of time.

**Figure 6: Length of stay for all B&B placements 2017/18**





6.14 As a Local Authority we do not just use B&B as interim/temporary accommodation. We also use the following types of accommodation:

- Private Sector Leasing – 11 properties
- Refuge Accommodation – for domestic abuse survivors
- Hostels x2 – total of 20 beds
- Flocks and Garth Newydd Court – for young people
- ‘Tester’ flats – offered by Merthyr Valleys Homes

6.15 Accurate figures are not available for the number of households placed in this accommodation in a financial year due to previous IT constraints which only allow us to report on the number of placements on a specific day. However, going forward with the introduction of a new IT system CIVICA, we will be able to report on this annually from 2018/19.

## **7.0 FUTURE LEVELS OF HOMELESSNESS**

7.1 This review has established the factors that are likely to impact on the prevalence of homeless in Merthyr Tydfil going forward. However, many of these factors are socio-economic factors that are outside of the direct control of the local authority. The factors outlined below have also been considered in the drafting of the objectives and actions:

- High level of demand for social housing particularly general need single person accommodation. A sufficient supply of this accommodation is essential for us to meet our homelessness duties.
- The current shortage of single person accommodation is highly likely to result in an increase of presentations from single people who are unable to resolve their own housing need due to a lack of affordable suitable accommodation for this household type.
- Increasing numbers of people with complex unmet support needs. These are mental health, substance misuse and individuals with offending histories.
- The continuing effects of welfare reform - Merthyr Tydfil as a whole will be disproportionately affected by the ongoing reforms. This is going to continue to affect affordability of accommodation and the ability of households in receipt of benefits to continue to meet their housing costs especially in the private sector.
- Ongoing public funding cuts against a background of increasing demand.

- An ageing population which will require suitable housing and appropriate support to secure long-term appropriate accommodation for this age group
- Changes to legislation and a possible expansion of the priority need categories as recommended by several recently published evaluation reports. This would increase the pressures on temporary accommodation.

## 8.0 KEY OBJECTIVES

8.1 The homelessness strategy outlines the following objectives:-

**Improve early intervention and prevention:** Too many people are presenting to the Local Authority at crisis point and are already homeless. We need to improve the awareness of housing related services offered by the Local Authority. There needs to be an improvement in signposting of clients to the most appropriate services available to them. There is a need for an online directory of services to ensure all agencies that may come in contact with an individual who is at risk of homelessness re able to signpost effectively to prevent homelessness occurring. Commissioning of services need to be relevant in offer to address the main triggers for homelessness namely relationship breakdowns. A universal mediation service could provide swift and effective intervention to support families to find solutions to their domestic issues. Application of a flexible person-centred housing and support approach to service delivery which seeks to ensure effective information and advice is available at every stage to maximise the positive outcomes for those who may face homelessness

**Increase the supply of appropriate accommodation:** The local housing market presents some clear challenges for people reliant on benefits, to access the private rented sector locally. In addition to this the rate of homelessness and the needs of such clients would suggest the local authority needs to consider increasing the supply of certain types of accommodation whilst also considering whether to reconfigure the way some supported housing projects operate.

**Ensure appropriate support is available:** It is vital that a person or household who become homeless has the right support to ensure they sustain any future accommodation. Personal Housing Plans should identify both short term and long term support needs. We will commission and work in partnership with organisations that provide practical help to maintain tenancies, such as budgeting advice, furnishing assistance, signposting and advocacy for other services. In addition we will ensure that homelessness assessments are undertaken in psychologically informed environments to assist in capturing the support needs of clients. Work will be undertaken to develop and strengthen in partnership with other organisations clear accommodation pathways for different client groups such as those leaving prison, hospital or care leavers. This will include appropriate accommodation and support. We will continue to procure support services collaboratively ensuring that the views and data of other departments or agencies informs future commissioning decisions.

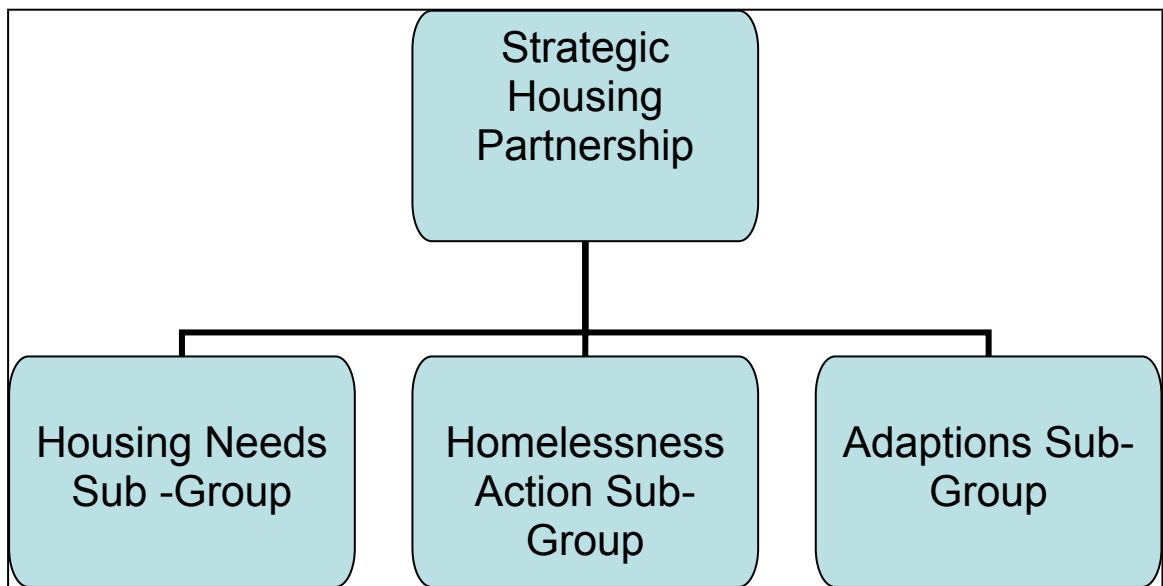
**Rough Sleeping:** The local authority is committed to supporting current rough sleepers by preventing its occurrence in the first place, wherever possible and by supporting current rough sleepers to reintegrate into society and public services to fulfil their aspirations and become valued members of the community again. We will support the early referral of new rough sleepers via Streetlink by promoting its existence through the local authorities multiple communications channels and ensure there are appropriate services available for clients with complex needs. A positive outreach service and case management approach will be commissioned to help each individual rough sleeper. We will support rough sleepers to reconnect with family and other positive influences. Housing First is being launched to accommodate acute rough sleepers. The Housing First project will be kept under review and options to broaden its implementation will also be looked at.

**Maintain and develop partnership working and strategic direction:** The successful delivery of the homelessness strategy is dependent on co-operation and joint working with internal departments, statutory bodies, voluntary sector agencies, faith and community groups. In order to co-ordinate our efforts we will continue to provide strategic leadership via the Strategic Housing Partnership. We will also establish a homelessness Sub Group specifically tasked with implementing the actions contained in the strategy. This sub-group will include volunteers and faith based groups. It will report to the Strategic Housing Partnership. We will work collaboratively to ensure housing advice and assistance provided to clients is consistent and accessible; along with access to suitable support.

## **9.0 ENSURING WE DELIVER**

- 9.1 The Strategic Housing Partnership will be ultimately responsible for reviewing progress against the actions contained within the Homelessness Strategy and ensuring it remains relevant and responsive to emerging needs.
- 9.2 The implementation of the strategy and all associated actions and activity will be overseen by the Homelessness Sub Group
- 9.3 The local authority will publish an annual report on the local authority's website each year.

**Figure 7: Strategic Housing Partnership Structure**



## 10.0 FINANCIAL IMPLICATIONS

- 10.1 The more individuals present at crisis point i.e. actually homeless the higher the cost providing temporary accommodation. This cost is increasing year on year. By approving the strategy to enable its implementation it provides a strategic approach to reducing the numbers of individuals and households that become homeless reducing the cost of providing emergency accommodation.
- 10.2 The strategy also sets out an objective to explore and eventually provide more cost effective emergency and supported accommodation to make more prudent use of the budget needed to assist individuals and households who are homeless or threatened with homelessness.

## 11.0 INTEGRATED IMPACT ASSESSMENT

	Positive Impacts	Negative Impacts	Not Applicable
<b>1. Merthyr Tydfil Well-being Objectives</b>	2 of 4	0 of 4	2 of 4
<b>2. Sustainable Development Principles - How have you considered the five ways of working:</b> <ul style="list-style-type: none"> <li>• Long term</li> <li>• Prevention</li> <li>• Integration</li> <li>• Collaboration</li> </ul>	5 of 5	0 of 5	0 of 5

• Involvement			
<b>3. Protected Characteristics</b> <i>(including Welsh Language)</i>	1 of 10	0 of 10	9 of 10
<b>4. Biodiversity</b>	0 of 1	0 of 1	1 of 1
<b>Summary:</b>			
The main positive impacts are the reduction of homelessness and increased prevention work to further reduce homelessness and its impact on the wider community			
There are no negative impacts using the criteria set out in the document			

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**REGENERATION AND PUBLIC**  
**PROTECTION**

<b>BACKGROUND PAPERS</b>		
<b>Title of Document(s)</b>	<b>Document(s) Date</b>	<b>Document Location</b>
Homelessness Strategy 2019- 2023	Dec 2018	
<b>Does the report contain any issue that may impact the Council's Constitution?</b>		<b>No</b>

***Consultation has been undertaken with the Corporate Management Team in respect of each proposal(s) and recommendation(s) set out in this report.***