

SCRUTINY COMMITTEE REPORT

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Service Area	Housing
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To: Chair, Ladies and Gentlemen

Homelessness Strategy - Update

1.0 SUMMARY OF THE REPORT

1.1 This report will update members of the committee with the progress made by the Housing Department in relation to the Homelessness Strategy Action Plan that accompanied the homelessness strategy ratified by Full Council in December 2019.

2.0 RECOMMENDATION(S)

2.1 To note the content and raise any queries

2.2 To provide feedback on the work undertaken to date and to provide suggestions or comments relating to the remaining stages of the work required in the Homelessness Strategy Action Plan.

3.0 INTRODUCTION AND BACKGROUND

3.1 This report focusses specifically on the work undertaken and emerging outcomes for the Homelessness Strategy Action Plan. The Action Plan outlined the following objectives:

- Increase awareness of homelessness and support available
- Improve prevention and early intervention activity to prevent homelessness
- Ensure there is appropriate accommodation for people who are homeless or at risk of homelessness

- Ensure there's appropriate support available for people who are homeless or at risk of homelessness
- Maintain and develop partnership working and strategic direction

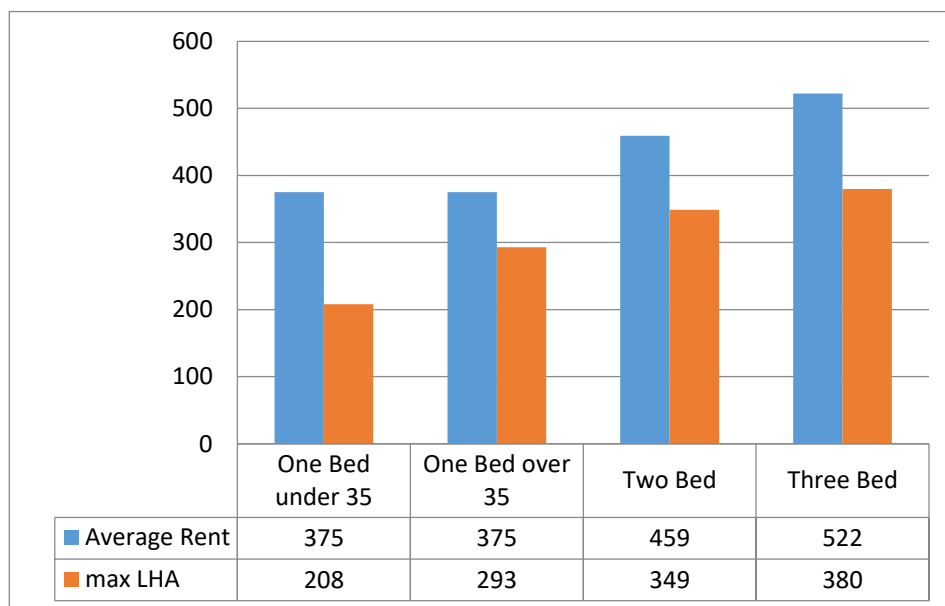
3.2 This report will outline the progress achieved in regards to these five outcomes focussing on those where the target date was prior to December 2019.

4.0 WHERE WE WERE

4.1 The Housing (Wales) Act 2014 placed an obligation on Local Authorities to carry out a review of homelessness in their area and publish a strategy by December 2018. We completed this exercise and published our strategy within the timeframe set out. The key issues identified as part of this review were:

4.2 **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 1: Rent shortfall if in receipt of full LHA rate



4.3 Figure 1 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:

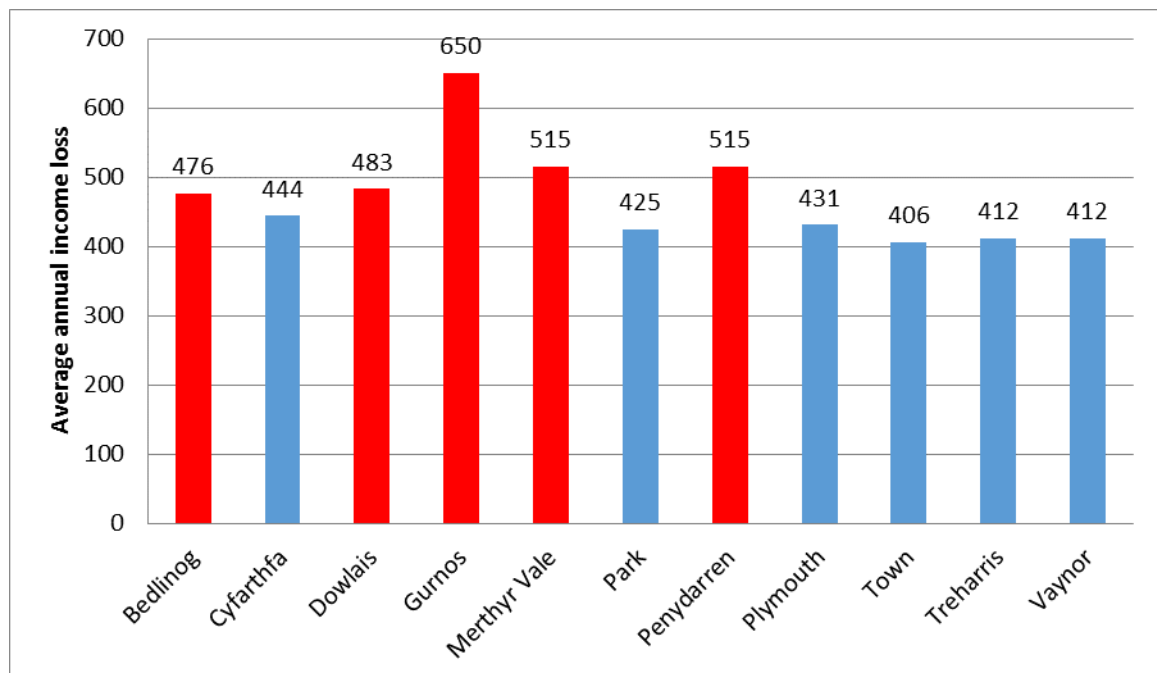
Property Type	Monthly Shortfall
One Bed under 35	£167
One Bed over 35	£82
Two Bed	£110
Three Bed	£142

4.4 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

4.5 **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 17th 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 2: Average annual income loss per household by 2020/21

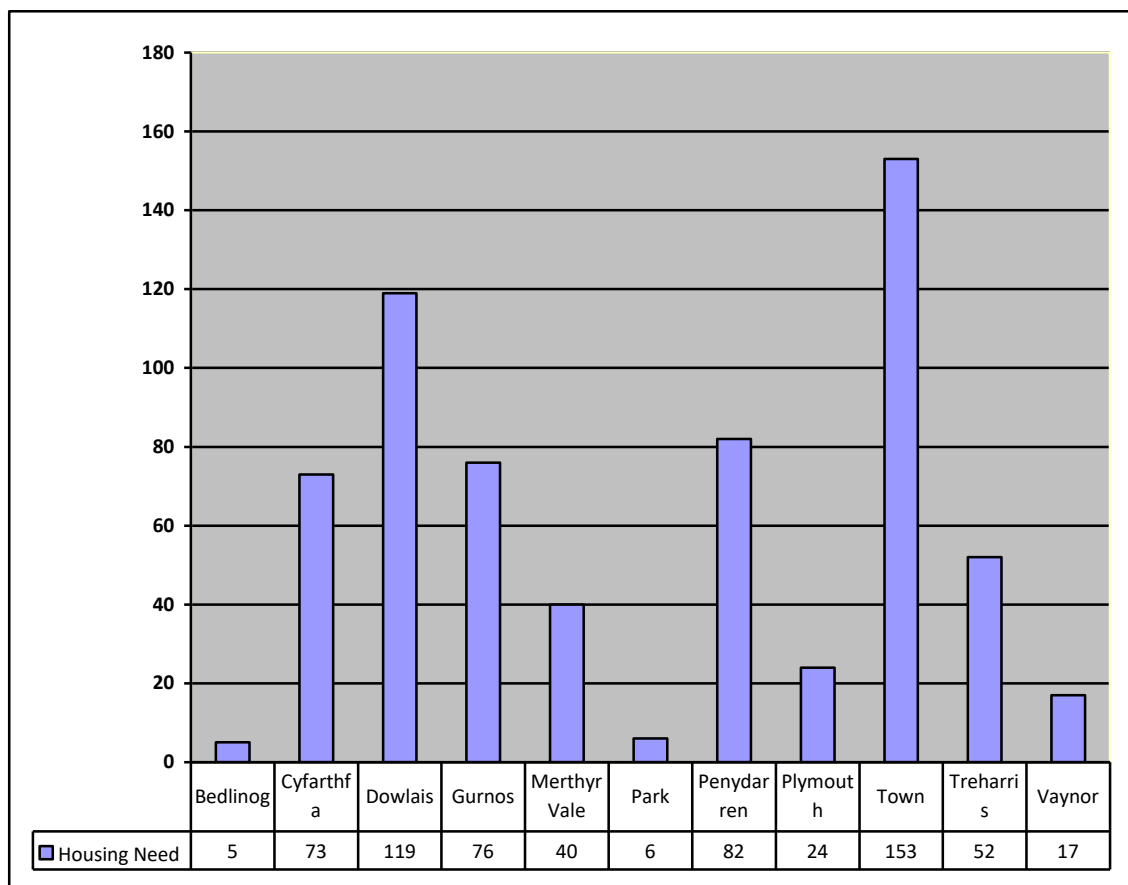


4.6 There is a significant shortage of one bed accommodation available in the social and private rented sector. The properties are available in the private rented sector require bonds, payment in advance, references and come with a rental value of £60-£70 which is totally unaffordable for anyone under 35 years old and on Universal Credit.

4.7 The vast majority of homelessness is alleviated by the Housing Solutions Team by securing a housing association property for the client. The numbers are increasing and are probably unsustainable.

- 4.8 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.
- 4.9 Merthyr Tydfil has the fifth 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. In 2018/19 Merthyr Tydfil had the third highest number of presentations from prison leavers homeless on release. Only Cardiff and Swansea were higher. Point 6.6 outlines work we are doing to tackle this disproportionate number of offenders.
- 4.10 **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 3 – Housing Need for general purpose one bed accommodation



- 4.11 **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

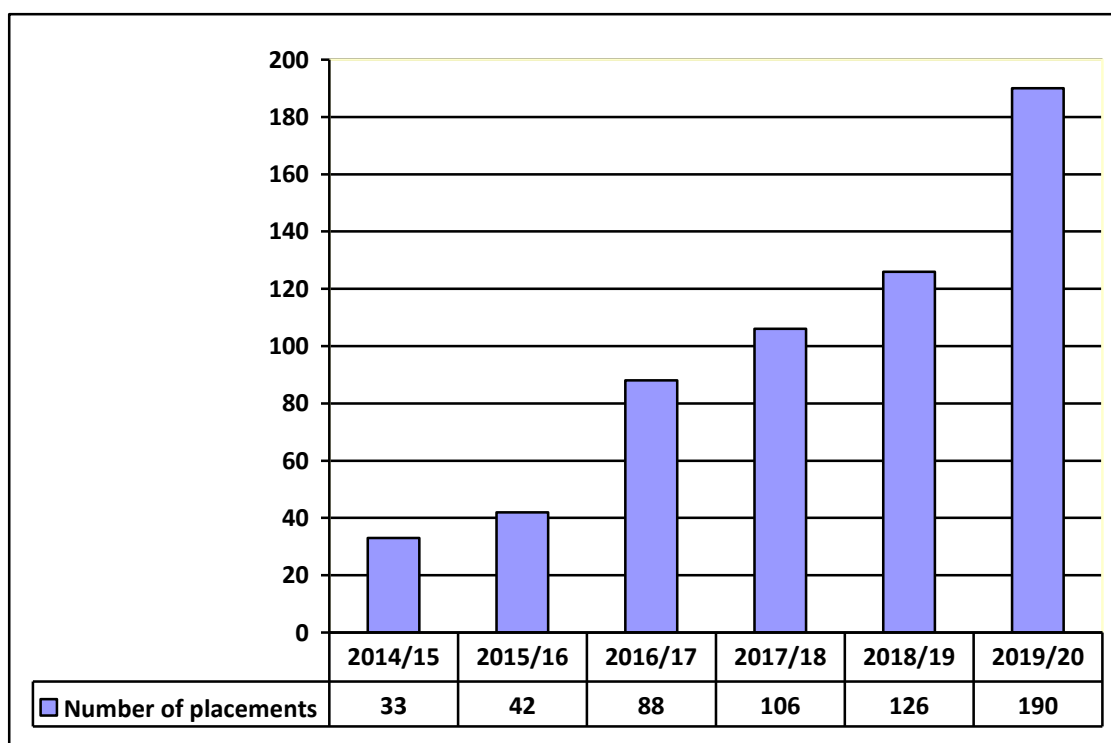
identified, through intelligence, are visited and rough sleepers engaged with and encouraged to access support services.

4.12 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

4.13 **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 4 – Increasing Use of B&B Accommodation



The percentage increase between 2017/18 and 2018/19 was 19%. Our projected number of placements for 2019/20 are 190 based on the number of placements made in the first six months of this financial year. This equates to a 51% increase in placements. As a Local Authority we have a duty to provide interim accommodation for anyone where there is reason to believe they are priority need. Those individuals presenting are becoming more complex and have multiple needs. The results in more being assessed as likely to be priority need and this has an impact on the level

of placements into B&B accommodation. Work is being undertaken to address this which is outlined in section 6.5 of this report.

5.0 AIMS AND OBJECTIVES

5.1 The key findings of the homelessness review fed into the development of the following aims and objectives

5.2 Aims

- To reduce the number of households at risk of homelessness
- To reduce the number of households who become homeless
- To reduce rough sleeping

5.3 Objectives

- Increase awareness of homelessness services and support available
- Improve prevention and early intervention activity to prevent homelessness
- Ensure there is appropriate support available for people who are homeless or at risk of homelessness
- Maintain and develop partnership working and strategic direction

6.0 WHERE WE ARE NOW

6.1 Our successful rate of prevention is continuing to improve even though there has been an increase in presentations.

	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%
2018/19	175	99	57%	67%

The main reason for presenting as threatened with homelessness in 2018/19 was loss of rented or tied and rent arrears in the PRS.

6.2 We have seen a significant increase in the number of households presenting as homeless

	Homeless Households	Households with a successful outcome	Relief Rate	Welsh relief Rate
2016/17	210	76	36%	41%
2017/18	239	79	33%	41%
2018/19	301	94	31%	40%

- 6.3 The key information to explain why Merthyr Tydfil's prevention rate and relief rate is lower than the Welsh average is:
- 71% of presentations to the service are single people (2018/19)
 - 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 35s who are not working.
 - We have only been able to rehouse 7% of our one bed need and this coupled with the lack of affordability for single people impacts the number of homeless presentations we are currently seeing
- 6.4 The housing department has now merged with supporting people to enable better partnership working and collaboration with support services needed to assist households who are homeless or threatened with homelessness.
- 6.5 As part of the objective to ensure there is appropriate accommodation available we have commissioned and progressed the following additional accommodation options
- **Housing First for Adults** – Accommodation with no preconditions for our most complex entrenched rough sleepers. This is funded by a grant from Welsh Government and the Salvation Army are the support providers. This will provide four units of accommodation in partnership with MVH and MTHA.
 - **Housing First for Youth** – Accommodation with no preconditions for our most complex young people 16-24. This is funded via a grant from Welsh Government Wales and West are providing the accommodation, which will be four flats and sleep in support as needed. Llamau will be the support provider and the first young people are due to move in, in the New Year
 - **A four bed HMO in lieu of B&B.** We have also commissioned an additional four bed HMO to provide further interim accommodation in lieu of B&B
 - As part of the regional commissioning of the hostel we are looking to partner with an RSL to purchase and convert a building to provide six units of supported accommodation. In addition the RSL's are also being asked to look at options for a further four units of accommodation. These units will be used to provide more psychologically informed accommodation for young people. This is not additional units it is to replace Chaplins as its location is no longer appropriate
- 6.6 We have commissioned the following projects to provide more support options for applicants who are homeless or threatened with homelessness. These also meet our objective to improve prevention and early intervention.
- Early intervention and prevention officer. This is Welsh Government grant funded post which aims to provide housing advice and assistance outside of the 56 day threatened with homelessness statutory trigger. This work is done in partnership with the RSL's, Housing Benefits, Children's Services, and the youth services. This is seeing high quality outcomes and is meeting the grant aims of preventing homelessness as early as possible.

- Assertive Outreach Officer. This is a supporting people funded post. This post is to support individuals who are rough sleeping in the borough to assist them in accessing other support agencies and housing. They will also assist with the co-ordination of the winter night shelter.
- Adult mediation worker. This post is supporting people funded. The aim of this post is to provide mediation for single people over 21 who are at risk of exclusion from the family home. It is hoped that this will result in fewer presentations from people actually homeless as a result of familial or intimate relationship breakdowns. This worker will also undertake home visits for prison leavers to provide mediation work with their family with the aim of them returning to the family home on release rather than present as homeless. It is hoped that this work will reduce the numbers of prison leavers presenting in crisis as actually homeless on release.
- Resilience work in the hostel provided by Mind and supporting people funded. This project aims to assist individuals with poor mental health to build their resilience and provide counselling to assist them with trauma they may have experienced resulting in poor mental health.
- All housing solutions officers have attended training on psychologically informed environments and we are now looking at ways to embed the principles into the housing solutions service.

6.7 Much of the work that has been undertaken over the last twelve months has been to get services established. As a result, there is no performance data on each individual service available. Once the services are embedded the monitoring data provided as part of the grant allocation and data included in the WHO12. This will be monitored on a quarterly basis with regular reports on progress to the strategic housing partnership. The Strategic housing partnership ensures that partnership working and strategic direction is maintained.

7.0 FUTURE LEVELS OF HOMELESSNESS

7.1 Homelessness is predicted to continue to increase. Based on the figures so far in 2019/20 our end of year figures are:

	Households threatened with homelessness
2018/19	175
2019/20 to date	100
2019/20 projected total	235

The projected figures are based on an average increase of 34% over the first two quarters of 2019/20.

	Homeless Households
2018/19	301
2019/20 to date	182
2019/20 projected total	369

The projected figures are based on an average increase of 29% over the first two quarters.

The increases in homelessness are to do with the continued unaffordability of the private rented sector for single people of all ages but especially under 35's. There is also a significant lack of one bed general need accommodation in the social housing sector in the Borough. Between October 2018 and October 19 we were only able to meet 7% of our general one bed need. This equates to just 49 households. To provide context over the same period we had a statutory s.75 duty to 31 single people. This left just 18 properties to satisfy our s.73 duties where 261 single people were owed this duty.

We are working at pace with our partner RSL's to increase the supply of one bed properties but this will take time. We also need to ensure new developments provide mixed communities.

8.0 WHAT WE NEED TO DO NEXT

- 8.1 To assist with the ever-increasing caseloads of the housing solutions team we are in the process of purchasing a new homelessness casework module for our Civica Housing System. This will not only provide an efficiency in regards to the time it is taking to complete electronic case work but will establish a better way of working collaboratively with applicants in undertaking all necessary reasonable steps to prevent and relieve homelessness. This new system will also provide a further improvement on our data collection to assist with work around understanding the reasons for homelessness to enable a more targeted prevention approach.
- 8.2 We are looking to redraft our housing options wizard currently embedded on Living Merthyr Tydfil. This system provides applicants with advice specific to their needs based on answers they provide to standardised questions. By redrafting the advice to provide more detail and signposting it will ensure that households and support agencies have access to robust housing advice as early as possible to try and prevent their homelessness. The aim being to reduce the number of crisis presentations where often it is not possible to relieve or prevent their homelessness
- 8.3 We are continuing to work with our partner RSLs to build new housing at pace. The focus of this will be on one-bed general need units. Modern methods of construction are also being considered to increase the pace that these are delivered.
- 8.4 We are going to start work with employability and training services to provide the skills and support needed for our applicant to enter the employment market. It is hoped that this will not only provide independence for our applicants but go some way to mitigating the continuing impact of welfare reform. Initially this work will be targeted at prison leavers who often start this work while in custody to prevent recidivism and reduce homelessness.

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 aim to prevent homelessness, providing support to families and single people 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 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. The Homelessness Strategy will continue to focus upon enabling people to find suitable and affordable accommodation that meets their needs and aspirations to live well and to live independently.

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BACKGROUND PAPERS		
Title of Document(s)	Document(s) Date	Document Location
List the Background documents which have been relied on in preparing the report. E.g. previous minutes of relevant committees	NONE	N/A
Does the report contain any issue that may impact the Council’s Constitution?		