

SCRUTINY COMMITTEE REPORT

Date Written	10 th October 2020
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Service Area	Housing and HSG
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To: Chair, Ladies and Gentlemen

Housing & Homelessness

1.0 SUMMARY OF THE REPORT

- 1.1 To provide an overview of the current demands on the Homelessness Service in light of changes to legislation as a result of the COVID-19 pandemic.
- 1.2 To provide an overview of work being undertaken to mitigate the impact of COVID-19 on service delivery.

2.0 RECOMMENDATION(S)

- 2.1 To note the contents and raise any queries.
- 2.2 To provide feedback on work undertaken and proposed work to further mitigate the impact of COVID 19 on the service.

3.0 INTRODUCTION AND BACKGROUND

- 3.1 On the 23rd March 2020 the UK was placed into national lockdown by the UK government. On the 24th March 2020 the Welsh Government announced that all Local Authorities should accommodate all rough sleepers and households at risk of rough sleeping in order to keep them safe and provide access to facilities where they could isolate as necessary and have access to appropriate hygiene facilities.
- 3.2 On 28th May 2020, the Minister for Housing and Local Government wrote to every Local Authority advising that immediate legislative changes had been made to the Housing (Wales) Act 2014, meaning everyone presenting as homeless without

access to secure accommodation is to be considered as being in 'priority need' for accommodation. This also placed a duty on all LA's to provide interim temporary accommodation to anyone homeless who did not have somewhere to stay.

- 3.3 Further guidance has been issued by Welsh Government to state that individuals placed in temporary accommodation as a result of the pandemic should not be placed back on the street and are to be provided with alternative accommodation should a placement breakdown to ensure they do not have to return to homelessness. This means that all those currently accommodated in temporary accommodation will need to be offered secure housing either with a Registered Social Landlord (RSL) or in the private rented sector that is both suitable and affordable.
- 3.4 Since March 2020 the Housing Solutions Team has been working remotely to ensure continuity of service at a time of increased pressures and significant demand on the service.

4.0 WHERE WE WERE

- 4.1 Our successful rate of prevention has been below the Welsh average target for some years, but had begun to improve in 2018/19. However, in 2019/20 we saw a reduction in this rate again:

Figure 1: Presentations at prevention stage

	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%
2019/20	176	87	49%	Not available

NB: The all Wales rate is not available due to the increase in demand on the Welsh Statistical Service. A decision has been made not to publish homelessness data so data around COVID-19 can be prioritised.

The main reason for presenting as threatened with homelessness in 2019/20 was 'loss of rented or tied accommodation'. This is rented accommodation where the household needed to leave for a reason other than rent arrears.

- 4.2 We were seeing a significant increase in the number of households presenting as homeless

Figure 2: Homeless presentations

	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%
2019/20	414	120	29%	Not available

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

- 71% of presentations to the service are single people (2019/20)
- The Local Housing Allowance (LHA) rate for a single person under 35 years of age is only £54.00 and £77.10 for those over 35 years. This is the housing cost they will receive towards private rented accommodation. A typical one bed flat or bedsit in Merthyr would cost a minimum of between £75 – 80 p/w. Generally, the private rented sector is unaffordable for all under 35's who are not in full time employment.
- In 2019-20, we were only able to rehouse 7% of our one bed need, with a total of 47 one bed properties being available for letting with our RSL partners.
- Welfare Reform has meant a reduction in income for many.

4.4. As part of the objective to ensure there is appropriate accommodation available, we commissioned and progressed the following additional accommodation options in 2019-20:

- **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 up to eight units of accommodation provided by our partner RSL's.
- **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 manage the accommodation and Llamau provide the support. We have accommodated five young people in this accommodation and there is now a waiting list.
- Two Houses in Multiple Occupation (HMO's) owned and managed by a private landlord, being used as temporary accommodation as an alternative to B&B. One provides accommodation for four people, the other for five people.
- As part of the regional commissioning of our hostels, we have partnered with Merthyr Valleys Homes (MVH) to purchase and convert a building to provide six units of supported accommodation in place of our young persons' hostel (Chaplins). MVH will also source a further four separate units of accommodation. These units will be used to provide more psychologically informed accommodation for young people. These additional units of accommodation will replace Chaplins.

All new units were scheduled to be completed by September 2020, but this has been delayed due to the Covid 19 pandemic. We hope to implement these changes by 31st March 2021, but this may be subject to further change.

4.5 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 our prevention and early intervention success rates.

- **Early Intervention and Prevention Officer.** This is funded through the WG Housing Support Grant. The post enables housing information, advice and assistance to be delivered at the very earliest opportunity identified in order to prevent a person or household becoming threatened with homelessness - outside of the '56 day threatened with homelessness' statutory trigger. This work is done in partnership with our RSLs, Housing Benefit Department, Children Services and the youth services. We are beginning to see positive outcomes.
- **Assertive Outreach Officer** – This is 1 x FTE post, funded through the WG Housing Support Grant and employed by MTCBC. The post-holder provides regular support, engaging with vulnerable individuals who are rough sleeping in the borough, assisting them in accessing and maintaining engagement with other support agencies and Housing. The AOO has also helped coordinate the winter night shelter in previous years and continues to work closely with the various local homelessness volunteer groups that provide an outreach service to our homeless population.
- **Adult Mediation Project** – funded through the WG Housing Support Grant. The post provides 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.
- **Mental Health Resilience Project** – a service provided by Merthyr & the Valleys Mind, funded through the Housing Support Grant. The project provides support to individuals who experience poor mental health and helps them to acquire coping mechanisms and strategies that helps build their resilience. This is available to anyone residing within our temporary supported accommodation provisions and to those who may benefit from this service who have recently moved on into permanent accommodation from supported accommodation. Service users can be offered up to 8 counselling sessions if necessary and will be referred on to more appropriate mental health services if a need is identified for more extensive support. The programme is delivered using a trauma informed approach.
- 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.

5.0 WHERE WE ARE NOW

- 5.1 Welsh Government has increased the notice period (to serve Notice of Seeking Possession) for private rented accommodation to six months. This took effect on 24th July. All persons served a notice (NOSP) are being referred to our Early Intervention and Prevention Officer who will provide support and work with them to help prevent homelessness.
- 5.2 Since April 2020 we have seen a total of 354 new presentations for assistance with housing. This is a 20% increase in presentations. Not all of these will have been immediately homeless or have required temporary accommodation.
- 5.3 As of the 9th October 2020, we had 89 households in temporary accommodation:

Figure 3 Current placements in temporary accommodation

Temporary Accommodation Type	Number of households
B&B	21
Hotel	21
Hostels	19
MVH	7
Private Sector Leasing	7
House of Multiple Occupation (HMO)	9
Flooks	4
Garth Newydd	6

Where we have placed a household in temporary accommodation as a result of COVID-19, the costs have been claimed from the WG Phase One Hardship Fund (£10 million).

- 5.4 WG have confirmed that the Phase One funding will continue to be available until 31st March 2021 to meet the **additional** costs for temporary accommodation incurred by LA's as a result of Covid-19. Temporary accommodation costs that would have ordinarily been the responsibility of the LA pre-pandemic continue to be charged to the LA's core budget.

Expenditure to 12th October 2020:

Core Expenditure = £53,064.77

Core Housing Benefit = £10,007.96

Net Core Expenditure = £43,056.81

Covid Gross Expenditure Temporary Accommodation = £331,340.56

Covid Other Housing Expenditure £15,527.98

Covid Housing Benefit = £15,858.66

Covid Net Expenditure = £331,009.88

Total Expenditure = £399,933.31

Housing Benefit = £25,866.62

Net Expenditure = £374,066.69

Potential costs for 2021/22 are: £947,242 based on the assumption that we will receive £114,177 in benefit. If no benefit is received then based on current demand we are estimating a gross expenditure of £1,061,420.

- 5.5 WG have not given any indication as to when or even 'if' there is an intention to amend Homelessness legislation and revert the priority need status back to pre-pandemic status. In 2019, WG initiated a consultation exercise with its stakeholders to consider whether Priority Need ought to be removed altogether. The results of this consultation have yet to be published and have been delayed due to Covid 19. Should this result in priority need being removed indefinitely, this would have a significant impact on LA's future temporary accommodation core budgets.
- 5.6 Due to the increased placements in temporary accommodation we have arrangements in place for additional support workers to visit our B&B accommodation daily to provide housing related floating support where required. Pobl also have a permanent support worker based out of the Castle Hotel due to the high numbers we have placed at this hotel. Salvation Army also continue to support those in B&B who have been identified as requiring Housing First Services.
- 5.7 All individuals placed in temporary accommodation are expected to abide by the rules and regulations as set by Housing and the TA Proprietor. Both verbal and formal written warnings are issued as necessary and where serious breaches have occurred which compromise the safety of the individual or others, an immediate 'Notice to Quit' will be issued. Where suitable alternative accommodation cannot be sourced as a result of their behaviour and high risk posed, the individual will continue to be supported by MTCBC's Assertive Outreach Worker.
- 5.8 We estimate that there are approximately 6 individuals who may currently be sleeping rough locally due to having lost all temporary accommodation offered due to their behaviour or have chosen not to stay in temporary accommodation. Numbers have not been verified.
- 5.9 It has been the LA's intention to operate a winter night shelter this year at Merthyr Bus Station in line with the LA's Cold Weather Plan, to accommodate up to 5-6 rough sleepers who cannot access B&B accommodation. The night shelter would be managed by support provider Pobl, who also manage both hostels. However, we have been advised by Welsh Government (on 6th Oct) that we are unable to utilise our HSG for this purpose and they are not supportive of any night shelter operating in any area within Wales. It is felt that such provisions will increase the rate of transmission of Covid19 due to there being only shared facilities only, given the nature of such projects. There is a clear expectation that LA's must find suitable alternative temporary accommodation for everyone. We have raised our concerns with SM Dawn Bowden and Housing Minister, Julie James as this is not something we feel will be achievable in all cases.

- 5.10 Given the likelihood that the night shelter will not go ahead this year, we are in negotiation with the Castle Hotel and Pobl to discuss the option of block booking additional rooms. This will only be on the condition that the proprietor agrees to support staff being on site 24/7, so to be able to manage the additional risks posed by increasing the number of service users staying at a single provision. This is subject to further discussion and has not yet been confirmed at time of writing this report.
- 5.11 The LA's temporary accommodation stock will also reduce by 31st December 2020. Cadwyn Housing Association (also known as Calon) have given notice to end their private sector leasing contract which provided MTCBC with 12 units of temporary accommodation, as the scheme is no longer cost-effective. We are in negotiation with MVH who own 5 of these properties, to consider how we may be able to retain this stock for use as temporary accommodation.
- 5.12 As a result of Covid-19, we have a far greater number of single people being accommodated in temporary accommodation than ever before, all of which is situated within the vicinity of the Town Centre, together with multiple support services. A high proportion of service users have multiple complex needs, with alcohol and substance misuse being a primary issue, together with poor mental health. As a result, we have seen a considerable increase in ASB within our town centre. Police data does not support the significance of the problem and it is evident that the problem is being under reported. Housing and our Community Safety Partnership (CSP) Team continue to encourage the community to report all incidents via the 101 service.
- 5.13 Public perception is that many of the perpetrators of the ASB within the town centre area is a direct result of the homeless population currently residing in B&B, in particular the Castle Hotel. CSP, Police and Housing data does not support this and we are aware of individuals who currently have secure tenancies outside of town who are frequenting these areas causing intimidating behaviour through begging or being under the influence of substances or alcohol in a public place.
- 5.14 Several Town Centre Summits have been organised over recent weeks by Alyn Owen, Deputy Chief Executive; bringing together our internal services and other external partners to try and address some of the ongoing issues currently identified within the town centre from both an ASB and regeneration perspective. Consideration is being given to the co-location of multiple support agencies into one central 'hub', which would act as an assessment centre for those accessing criminal justice services, drug & alcohol services, housing and others. Further summits are to take place over the coming months.
- 5.15 As part of the Phase 2 Recovery Fund, we have been successful in securing funding for the following accommodation provisions:
- £867,616 – for 8 units of single person modular accommodation provided by Merthyr Valleys Homes. The modular homes are to be sited on land already owned by MVH.
 - £60,000 - Conversion of a terraced house into three self-contained one bed flats to be provided and managed by a private landlord.

- £37,100 – for a CTM regional project to have a multi-disciplinary team based at the hostels and available to Housing First clients, providing crisis intervention to those with substance misuse and mental health issues. Will include two nurses and to be part funded by Health.
- £742,133 - Reserve funding was recently awarded for the conversion of a block of accommodation at the Neighbourhood Learning Centre to provide four units of supported accommodation for individuals ages 16-24 who are care experienced. However, as the project must be completed by 31st March 2021, we have had to withdraw this application as we are unable to undertake the consultation required and complete the project within the tight deadline set by WG. However, we still intend to progress with the consultation and planning process and look for alternative funding streams in order to implement this project at some point in the future.

5.16 In light of the additional pressures on homelessness services as a result of Covid-19, our original HSG spend plan for 2020-21 was revised in September 2020. Plans to set up an assessment centre with temporary supported accommodation were postponed in April 2020 due to the onset of the pandemic. As a result of this underspend of approx. £184K, we have funded the following from 1st September 2020 to 31st March 2021:

- Citizens Advice Bureau (CAB) – to provide another 1 x FTE to provide financial advice and debt advice to those threatened with homelessness.
- Salvation Army – to provide 1 x FTE to provide Early Intervention & Prevention up to 31st March 2021.
- Platform – to provide 1 x FTE Asset Coach to provide help to those with mental health problems who require additional support and mentoring than that offered through traditional basic floating support services. Subject to positive and satisfactory outcomes, Platform have committed to fund this post after 31st March 2021.
- Additional monies have been made available for our Homelessness Prevention Funds in order to help secure and tenancies within the PRS.
- Cornerstone – 2 x additional FTE's have been funded to provide housing related support to service users with previous offending history and for those due to leave the secured estate. Merthyr Tydfil has the fourth highest offender population in Wales.
- MTCBC Employability Team to deliver additional support to those seeking or at risk of losing employment and training opportunities who may need advice and assistance, to help them maintain their tenancies in order to help prevent homelessness. This is likely for those who may be currently furloughed or likely to lose employment as a result of Covid-19.

5.17 Even though we have seen a significant rise in homeless presentations since March 2020, to date we have been successful in moving on a total of 32 households into secure tenancies through successful partnership working with our RSL's and private landlords; 23 of these have been accommodated in social housing, with a further 9 having secured tenancies within the PRS, with financial assistance being provided by the LA to meet the costs of rent in advance, cash bonds and moving costs. This

demonstrates the continuous ongoing commitment and hard work of the housing solutions team whilst working remotely and such difficult circumstances.

6.0 WHERE WE WANT TO BE

- 6.1 Even though we have been successful with moving on some households from temporary accommodation, homelessness presentations continue to increase and demand for services remains high. As a result, our need for move on accommodation remains static and the data does not always provide a true reflection of the huge challenges we face.
- 6.2 We need to be in a position where we have a sufficient supply of housing and related support to establish a rapid rehousing model in Merthyr Tydfil. This will reduce the burden on temporary accommodation and will ensure that when homeless occurs it is brief and non-recurrent.
- 6.3 We acknowledge that the task ahead is indeed challenging and that we cannot rely solely on our RSL's to be able to deliver the accommodation that is required. We need to further develop professional relationships with private landlords and local letting agencies and be able to offer additional incentives for them to work with us, through funding available via the HSG.

7.0 WHAT WE NEED TO DO NEXT

- 7.1 We will continue to work in partnership with our RSL's to maximise the accommodation available, enabling us to start reducing the need for B&B accommodation. We will also continue to work with all our support providers to ensure all individuals may access support when needed.
- 7.2 As demand continues we also need to ensure that we continue to not just provide continuity of service, but look to support the whole team during a period of increased pressure and stress. If current levels of demand continue, additional staffing resources will be required as current workloads are not sustainable in the long term.
- 7.3 Through the WG phase 2 funding, we will pilot a scheme with a private landlord to convert an existing terraced property into 3 single person accommodation flats. If successful, we would welcome further opportunities to work in partnership with the PRS to increase the options available to our service users.
- 7.4 We will need to look at ways in which we can encourage young people back into training and work, in order to increase the affordable housing options available. In collaboration with our internal employability team, we will strengthen links with our existing tenancy ready project and consider others ways in which we can encourage our service users to participate.
- 7.5 In order to increase the amount of emergency accommodation available, we are looking to source an additional property by working with an existing private landlord, to provide and manage another HMO.

8.0 CONTRIBUTION TO WELLBEING OBJECTIVES

- 8.1 **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 and single people in crisis and to quickly find new accommodation for those who find themselves homeless.
- 8.2 **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.
- 8.3 **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. The Housing Solutions team will continue to 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
Interim Chief Executive

Cllr Geraint Thomas
*Cabinet Member for Regeneration and
 Public Protection*

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		
Does the report contain any issue that may impact the Council’s Constitution?		No