


## LONDON BOROUGH OF WALTHAM FOREST

Meeting / Date	<b>Cabinet</b> <b>13 July 2023</b>	
Report Title	<b>Reshaping our Homelessness Support Offer</b>	
Cabinet Portfolio	Councillor Ahsan Khan, Deputy Leader (Housing and Regeneration)	
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Wards affected	All	
Public Access	Open	
Appendices	Appendix 1: Matrix to assess climate change impacts Appendix 2: Equalities screening form	

### 1. SUMMARY

- 1.1 A combination of pressures, including the cost-of-living crisis, the freezing of Local Housing Allowances (LHA), the Benefit Cap, and the unaffordability of the private rented sector (PRS), are making it difficult for many households to secure decent, affordable homes. At the same time, despite the Council's strong track record in delivering new homes, demand for social rented homes outstrips supply.
- 1.2 Pressures in the PRS are constraining the availability of temporary accommodation. This means, alongside all London boroughs, the Council is forced to place more households, including families with children, in bed and breakfasts (B&Bs) and hotels. A lack of suitable PRS supply also makes it much more challenging for the Council to secure long-term PRS accommodation for households currently in temporary accommodation, particularly homes that are in or close to the borough.
- 1.3 The above factors necessitate a reshaping of the Council's homeless support offer. This report outlines proposals to deliver services that intervene earlier to support families in housing need, provide bespoke support to residents in the PRS and provide households with employment pathways out of crisis. Underpinning all of this will be a more customer-centric approach, including the reintroduction of some face-to-face contact.

## **2. RECOMMENDATIONS**

- 2.1 Cabinet is recommended to:
  - 2.1.1 Approve the budget allocation relating to the Families in Housing Need Programme, including the establishment of a Flexible Support Fund and delegate authority to the Strategic Director of Place, in conjunction with the Portfolio Lead Member, to approve the final eligibility criteria for the fund.
  - 2.1.2 Note the plans to support residents in temporary accommodation to increase their working hours and therefore avoid the Benefit Cap.
  - 2.1.3 Note plans to develop an enhanced Renters Advisory Offer for residents living in the PRS.
  - 2.1.4 Note the reintroduction of the use of some face-to-face homelessness assessments, as part of a hybrid approach to customer contact.
  - 2.1.5 Note plans to improve temporary accommodation supply and staff recruitment and retention within the Prevention and Assessment team.
  - 2.1.6 Note the Shelter review of homelessness services which will be undertaken as part of the 2023/24 Audit plan.

## **3. PROPOSALS**

- 3.1 This report seeks Cabinet approval of the budget allocation relating to the Families in Housing Need Programme and notes a range of measures designed to improve customer experience and outcomes in the Housing Options and Support Service.

### **Context**

- 3.2 Data from 28 London boroughs shows a worsening homelessness situation across a range of key performance measures. Homelessness presentations in January 2023 saw an 8.3% increase in service demand on the previous year. The total number of households across London living in council provided temporary accommodation in February 2023 was 4.6% higher than a year earlier, with the number of children living in temporary accommodation having increased by 3.7%.
- 3.3 The data also shows a worsening situation for councils in procuring and retaining suitable accommodation, driving an increase in B&B usage, which increased by 167% in February 2023 when compared with the previous year. Median weekly rates paid across all types of temporary accommodation were 3.8% (£11.23) higher in February 2023 than the previous year, while the average landlord incentive paid increased by 13.8% (£183.23) during the same period.
- 3.4 LHA rates are a significant driver of pressures. Rates should reflect the 30<sup>th</sup> percentile in each area but have remained frozen since April 2020, despite rising rents and living costs. In 2022/23, less than 7% of available PRS properties in Waltham Forest were available at LHA rates.
- 3.5 The Benefit Cap is an overall limit on the amount of benefits that working age people can receive. The cap affects many households with children

and for households affected it is the housing element of their universal credit or housing benefit which is reduced to below the cap level (£486.98 a week).

### **Families in Housing Need programme**

- 3.6 In the 22/23 budget, the Council set aside £2m from Reserves to assist families in housing need. A two-year pilot scheme has been developed to target households at risk of becoming homeless prior to a statutory duty arising. Special emphasis will be placed on Benefit Capped households and those most at risk of having to leave the borough if they become homeless.
- 3.7 The Families in Housing Need (FiHN) programme will focus on ensuring that families have the skills, services and opportunities they need to maximise their income and ensure that their housing is of a good quality and financially sustainable.
- 3.8 A Tenancy Sustainment team of four staff has been recruited and the service will launch in July 2023. The team will utilise Low Income Family Tracker (LIFT) software to bring together a range of datasets from across the Council to identify those households who are most at risk. Whilst the approach is being finalised, the team will initially start working with households referred from other Council departments or voluntary sector partners, adopting a more data-informed approach over time. Subject to workload, it is envisaged that the team will expand to seven staff in its second year of operation.
- 3.9 The Tenancy Sustainment Team will initially focus on supporting households in the PRS, who are impacted by the Benefit Cap, those with council tax arrears and those who have sought financial assistance from the Council.
- 3.10 Research into successful practices in other local authorities has shown the value of making modest, targeted sums of money available to households threatened with homelessness. It is therefore proposed to set up a Flexible Support Fund to help prevent families becoming homeless. It is essential that any such grant works to complement existing forms of financial support, such as Discretionary Housing Payment and Household Support Grant. Based on a suggested maximum grant of £1,000 per household, it is envisaged that a total fund of £750k will be required over the two-year pilot.

### **Employment support**

- 3.11 It is exceptionally challenging for households seeking PRS accommodation, particularly those impacted by the Benefit Cap. The main way in which households can increase household income and/or avoid the cap is to be in work and earn a single or combined income of £658.66 a month after tax. This is the equivalent of working 16 hours per week at the National Living Wage.
- 3.12 Connecting residents to jobs will support households in temporary accommodation to access PRS accommodation. By building on the success of the Council's current employment support and Jobs

Academies for example, the HGV and Creative Industries academies, households will be supported to increase their working hours and upskill in order to gain better paid employment. This support will be targeted at households in temporary accommodation and those who are subject to the Benefit Cap,

- 3.13 The development of a new cross-referral system will link residents working with Housing and Adult Social Care to job support, training and information advice and guidance in the Employment Business and Skills and Adult Learning Services. This will require some additional financial support from the FiHN budget, as outlined below.
- 3.14 In addition, Employment Business and Skills will work with employers to support their employees on low incomes to increase hours and or earnings to get over the threshold in their current job, as many are not aware of the implications of the Benefit Cap.

### **Support for PRS tenants**

- 3.15 The PRS accounts for 28% of all housing stock in Waltham Forest and has seen the 4<sup>th</sup> highest growth in rent levels across London since 2011. This means that the average resident now spends almost 50% of their net salary on rent.
- 3.16 The current provision of housing advice focuses primarily on homelessness prevention and regulatory matters, with an independent housing advice service provided by Waltham Forest Community Hub, funded by the Trust for London. With so many households dependent on the PRS, it is important to ensure that residents have access to good quality comprehensive advice and information covering important matters such as
- Practical advice on finding somewhere to live, including for those who are in receipt of welfare support and/or who have a poor credit history.
  - Support to understand tenancy agreements and manage responsibilities through the lifetime of the tenancy.
  - Financial advice, including upfront costs, dealing with rent increases and financial support.
  - Support for tenants facing eviction, including understanding s21 notices and identifying an illegal eviction.
- 3.17 Officers are exploring options to enhance the Council's current advice offer to PRS tenants. The final model will need to be fully cognisant of the recently published Renters (Reform) Bill and the recommendations of the Affordable Housing Commission. It is suggested that enough budget is set aside from the FiHN budget to fund an additional three staff for two years.

### **Recruitment and retention**

- 3.18 For the Council to deliver a high quality, efficient and effective Housing Options and Support service, it is vital that existing staff are retained and that the service can attract high calibre candidates when vacancies arise. The Prevention and Assessment team, responsible for delivering

the Council's statutory homelessness function is has face significant staffing, the result of which is long customer wait times, a lack of upstream prevention and unmanageable officer caseloads.

- 3.19 To address these issues, a strategy has been developed that has filled vacant posts on an interim basis with experienced agency staff, who are addressing a backlog of cases and improving customer outcomes. The strategy will go onto review the employment offer to new and existing team members to ensure it reflects a comprehensive and holistic offer, which includes development opportunities and support. Recruiting and retaining highly skilled and experienced team members is an essential component to increasing opportunities for early intervention and prevention of homelessness.

### **A return to face-to-face services**

- 3.20 Since the Covid-19 Pandemic, all Housing Options assessments have taken place remotely utilising technology, such as Microsoft Teams. However, a recent benchmarking exercise highlighted that the Council is behind other boroughs; most of which have already resumed some or all face-to-face assessments. The most pressing obstacle to reintroducing face-to-face services, however, has been identifying a suitable space, until the new Families and Homes Hub opens in 2024.
- 3.21 Site visits that took place throughout February 2023 identified Leyton Library as the most suitable location to deliver in person face-to-face assessments. This is because the library has strong public transport connections and provides adaptable space in which to safely deliver customer-focused centred advice services.
- 3.22 The preferred model is to target face-to-face assessments towards customers in immediate crisis, thus maximising the effectiveness of the appointment. Initially the service will have the capacity to offer appointments to four households each day, with additional capacity required for emergency presentations.

### **Improving supply**

- 3.23 Current markets conditions are making it increasingly difficult to source suitable properties for both temporary accommodation and offers of permanent settled accommodation in the PRS.
- 3.24 A range of options are being explored, including but not limited to:
- Capital Letters having been approved by DLUHC to procure properties outside London, which should serve to increase options, in line with Council's acquisitions policy.
  - Ongoing review of the financial feasibility (subject to gilt rates reducing) of extending the More Homes Waltham Forest Joint Venture to a second phase (JV2) to deliver a further 400 properties over four years.

- Work with Local Space – a registered social landlord to deliver 25 properties per year through right to buy receipts

3.25 Recruitment of a Private Sector Project officer for 6-12 months, primarily focussing on marketing the scheme and generating leads for new private sector supply outside of the borough.

#### **Shelter Service Review**

3.26 Forming part of the Council's Internal Audit Plan for 2023/24, Shelter will undertake a review of the Housing Options and Support Service in Q3 2023/24. This review is designed to assess the quality of services provided by the Council with emphasis placed on:

- Standards of access and customer care.
- The effectiveness and appropriateness of advice.
- Decision making accuracy.
- Quality of case recording and file management.
- Compliance with statutory homelessness duties.

#### **Value for money considerations**

3.27 The proposals above will result in an approximate allocation of the available FiHN funds as follows:

Item	Amount
Consultancy support	£85k
Software	£90k
Staffing (Tenancy Sustainment Team)	£500k
Private Rented Sector provision	£300k
Flexible Support Fund	£750k
Employment support	£150k
Contingency	£125k
<b>Total</b>	<b>£2m</b>

3.27 The return to offering face-to-face homeless assessments will add approximately £100k to the overall cost of the service. However, this sum can be met from within existing budgets and may be partially offset by better quality interventions and decision making that face-to-face assessments can facilitate.

3.28 It is anticipated that the FiHN initiative will not create new revenue pressures and that future funding will come from the reallocation of existing budgets.

## **4. OPTIONS AND ALTERNATIVES CONSIDERED**

- 4.1 The duty to provide homelessness services to all households who are eligible for assistance and homeless or at risk of homelessness is set out in Part VII of the Housing Act 1996 (as amended).
- 4.2 Introduced in 2018, the Homelessness Reduction Act 2017 significantly broadened access to housing options assistance, particularly for single households which, in London Borough of Waltham Forest, make up approximately 50% of all approaches to the Housing Options and Support Service.
- 4.3 The context set out in section 3.2 of this report highlights the considerable pressures faced by residents and the importance of upstreaming efforts, in collaboration with other Council departments and partner organisations, to support households. An alternative approach would be to continue the current model of service delivery, however, as this does not meet the growing need of Borough residents, it is not recommended.

## **5. COUNCIL STRATEGIC PRIORITIES (AND OTHER NATIONAL OR LOCAL POLICIES OR STRATEGIES)**

- 5.1 The proposals set out in this paper complement and align with the core themes of the Council's 15 Minute Neighbourhood Corporate Framework and the recommendations of the Marmot report on reducing health inequalities within Waltham Forest. Namely:
- Everyone taking part and fulfilling their potential
  - Everyone benefitting from shared prosperity
  - Improving the borough together
  - Ensuring a healthy standard of living for all

## **6. CONSULTATION**

- 5.1 An all-councillor briefing on reshaping our homelessness support was held in March 2023 and the FiHN proposals have been developed through an internal Steering Group with representatives from Housing, Strategy and Change, Employment Business & Skills, Benefits and Early Help. Further work with VCS partners will now be required to establish referral pathways to and from the new team.

## **7. IMPLICATIONS**

### **7.1 Finance, Value for Money and Risk**

- 7.1.1 This proposal will ensure the Council delivers better outcomes for residents utilising existing budgets by working holistically across departments and upstreaming advice and support services to reduce the need for residents to access services at a time of crisis.

- 7.1.2 As set out at 3.6 the Council set aside £2m from reserves in the 22/23 budget to assist families in housing need. The proposals above will result in an approximate allocation of the available FiHN funds as set out in 3.27.
- 7.1.3 Funding for the FiHN programme is for an initial two-year period, with funding having been allocated from Council reserves in order to deliver a comprehensive service which crosses several Council services and meets many strategic objectives.
- 7.1.4 The return to delivering some face-to-face homelessness assessments will be funded from existing budget however, in time, this may be partially offset by better quality interventions and decision making that face-to-face assessments can facilitate.
- 7.1.5 In relation to risk, the Families in Housing Need programme is funded for an initial period of two years. During this time regular evaluation will take place to determine both the effectiveness of the approach and the value for money achieved. Evaluation methodology and outcome monitoring measures will be agreed prior to the programme start date in July 2023.

## **7.2 Legal**

- 7.2.1 This report seeks approval of the budget allocation relating to the Families in Housing Need Programme including the establishment of a Flexible Support Fund with delegated authority to approve final eligibility criteria for that fund. As the FiHN pilot is not directly linked to the Council's statutory homelessness, there are no legal considerations to be made.

## **7.3 Equalities and Diversity**

- 7.3.1 An initial screening exercise of the equality impact of this decision was undertaken and determined there was no impact on the Council's equality duty.

## **7.4 Sustainability (including climate change, health, crime and disorder)**

- 7.4.1 There are several sustainability considerations aligned to this proposal.
- 7.4.2 Both the FiHN and the Employment Support workstreams support the council's priorities to create a more economically balanced population, generate employment opportunities and tackle concentration of deprivation.
- 7.4.3 Many of the workstreams set out in this briefing are intended to impact positively on children and young people. Through the FiHN programme, families will be supported to gain the skills, and experience required to maximise their income and ensure that their housing is of a good quality and financially sustainable. In addition, the employment support programme will help families to mitigate the impact of the benefit cap which, in turn, will broaden available accommodation options within the Borough for those in housing need.



- 7.4.4 Leyton Library is well served by public transport and it is expected that residents and staff will mostly travel there by public transport or on foot. However, the reintroduction of face-to-face assessments is likely to generate a small number of extra car journeys when compared with the alternative of remote assessments.
- 7.4.5 The utilisation of the library building will increase its occupancy and footfall, whilst only marginally increasing energy consumption.
- 7.5 Council Infrastructure**
- 7.5.1 The proposals set out in this paper will largely be met within the existing Council infrastructure and resources.
- 7.5.2 These proposals seek to improve customer outcomes by providing holistic services which support the upstreaming of interventions. This will reduce the number of customers contacting the council at crisis point which, in turn, will enable staff to work in a more methodical and outcomes focused way. The recruitment and retention workstream will ensure that existing staff have access to the training and support needed to undertake their role to the best of their ability and the backfilling of several long-term vacancies will return caseloads to a manageable level.
- 7.5.3 The FiHN programme will utilise the LIFT software to bring together a range of data sets from across the Council in order to identify those households who are most at risk. The LIFT software, owned by Policy in Practice, is web based and therefore will require minimal input from IT.
- 7.5.4 The return to face-to-face appointments at Leyton Library for customer facing homelessness will make use of a currently vacant space and will be resourced from existing service budgets.

**BACKGROUND INFORMATION (as defined by Local Government (Access to Information) Act 1985)**

None