

NORTHAMPTON BOROUGH COUNCIL
Scrutiny Panel 3 Homelessness (Pre-decision Scrutiny)

Your attendance is requested at a meeting to be held in The Jeffery Room,
The Guildhall, St. Giles Square, Northampton, NN1 1DE on
Thursday, 26 January 2017 commencing at 6:00m

D Kennedy
Chief Executive

If you need any advice or information regarding this agenda please phone Tracy Tiff, Scrutiny Officer, direct dial 01604 837408 email ttiff@northampton.gov.uk who will be able to assist with your enquiry. For further information regarding **Scrutiny Panel 3 - Homelessness (Pre-Decision Scrutiny)** please visit the website www.northampton.gov.uk/scrutiny

Members of the Panel

Chair	Councillor Zoe Smith
Deputy Chair	Councillor Terrie Eales
Panel Members	Councillor Rufia Ashraf Councillor Mohammed Azizur Rahman (Aziz) Councillor Vicky Culbard Councillor Janice Duffy Councillor Terrie Eales Councillor Elizabeth Gowen Councillor Samuel Kilby-Shaw Councillor Dennis Meredith Councillor Cathrine Russell
Co-opted Member	Pete Smith, Head of Partnerships, Homelesslink

Calendar of meetings

Date	Room
30 March 2017 6:00 pm	All meetings to be held in the Jeffery Room at the Guildhall unless otherwise stated

Northampton Borough Scrutiny Panel 3 - Homelessness (Pre-Decision Scrutiny)

Agenda

Item No and Time	Title	Pages	Action required
1. 6:00pm	Apologies		The Chair to note any apologies for absence.
2.	Declarations of Interest		Members to state any interests.
3.	Deputations and Public Addresses		<p>The Chair to note public address requests.</p> <p>The public can speak on any agenda item for a maximum of three minutes per speaker per item. You are not required to register your intention to speak in advance but should arrive at the meeting a few minutes early, complete a Public Address Protocol and notify the Scrutiny Officer of your intention to speak.</p>
4.	Minutes	1 - 4	The Scrutiny Panel to approve the minutes of the meeting held on 24 November 2016.
5.	Witness Evidence	5 - 6	The Scrutiny Panel to receive a response to its core questions from key expert advisors.
5 (a) 6:05pm	Programme Manager, The Bridge		
5 (b) 6:20pm	Director, Children's Services, Northamptonshire County Council		
5 (c) 6:40pm	Chief Executive, Central Northants CAB		
5 (d) 7:00pm	Manager, Maple Access Centre		
5 (e) 7:20pm	Operations Manager, Midland Heart Housing Association		
5 (f) 7:40pm	Chief Executive, HealthWatch Northants		

Northampton Borough Scrutiny Panel 3 - Homelessness (Pre-Decision Scrutiny)

5 (g) 8:00m	Service Manager, Salvation Army		
5 (h) 8:20pm	Service Manager, Emmaus Homeless Charity		
6. 8:40pm	The Scrutiny Panel to receive a written response to its core questions		<ul style="list-style-type: none"> • Shelter • Crisis
7. 8:55pm	Report back from recent site visits	7 - 9	
8. 9:10pm	Background Information - Homelessness Reduction Bill	10 - 14	
9. 9:25pm	Background Paper - Social Lettings Agency	15 - 21	

SCRUTINY PANEL 3 - HOMELESSNESS (PRE-DECISION SCRUTINY)

Thursday, 24 November 2016

PRESENT: Councillor Zoe Smith (Chair); Councillor Terrie Eales (Deputy Chair);
Councillors Rufia Ashraf, Aziz, Vicky Culbard, Janice Duffy, Elizabeth
Gowen, Dennis Meredith and Cathrine Russell

WITNESS Robin Burgess, Hope Centre

OFFICERS Phil Harris, Head of Housing and Wellbeing
Tracy Tiff, Scrutiny Officer

**MEMBER
OF THE
PUBLIC** June Murphy, observing

1. APOLOGIES

An apology for absence was received from Councillor Sam Shaw.

2. DECLARATIONS OF INTEREST (INCLUDING WHIPPING)

There were none.

3. DEPUTATIONS AND PUBLIC ADDRESSES

There were none.

4. MINUTES

The minutes of the meeting held on 22 September 2016 were signed by the Chair as a true and accurate record.

5. WITNESS EVIDENCE

5.A DIRECTOR OF PUBLIC HEALTH

The Scrutiny Panel considered the written report of the Director of Public Health.

The Scrutiny Panel referred to the diagram contained within the papers noting that these figures only relate to areas where a homeless house needs audit had been undertaken. It does not reflect single, homeless clients.

The Scrutiny Panel requested that the Scrutiny Officer contacts the Director of Public Health for clarification on the wording naivety contained within page 17 of the reports.

AGREED: That the information provided informs the evidence base of this Review.

5.B MANAGER, MAPLE ACCESS CENTRE

The Scrutiny Panel noted the report from the Maple Access Centre, in particular the comments raised regarding concerns about access to housing for certain vulnerable groups, such as those released from prison. The Scrutiny Panel heard of an initiative "Making every adult matter" that is a coalition of Clinks, Homeless Link and Mind, formed to improve policy and services for people facing multiple needs. It was suggested that further information should be provided to a future meeting.

The Scrutiny Panel queried some of the responses, in particular, the Maple Access Centre's apparent lack of knowledge of Northampton's Multi Agency Rough Sleepers Strategy.

It was suggested therefore that it would be useful for a member of the team of the Maple Access Centre to be invited to attend the next meeting.

AGREED: (1) That a member of the team of the Maple Access Centre is invited to attend the next meeting.

(2) That further details on the initiative "Making Every Adult Matter" is presented to the next meeting.

5.C MANAGER, THE HOPE CENTRE

Robin Burgess, General Manager of the Hope Centre, submitted his written report to the Scrutiny Panel, highlighting the salient points.

Robin Burgess added:

- Of the 100 people a day that come to the Hope Centre, approximately 20 say that they have slept rough. There is a need to understand the difference between not-housed (including so-called sofa surfers) and rough sleepers.
- Sometimes the only way that rough sleepers can keep warm is by drinking a lot of alcohol; some do this.
- The Hope Centre provides a range of services including food, shelter, clothing, haircuts, and foot care.
- A national funded project is in operation that trains clients.
- The Hope Centre works closely with the Maple Access Centre.

The Scrutiny Panel asked questions, made comment and heard:

- In response to a query regarding the dissemination of information to rough sleepers, Robin Burgess advised an Outreach Service is provided by NBC. These officers are the prime link to the Street Community, as are the Community Wardens and the Police.
- It was highlighted that just because an individual is sitting in a shop doorway it doesn't necessarily mean they are always homeless. Robin Burgess gave the Scrutiny Panel an example of beggars and street drinkers who presented as 'homeless' but were already living in suitable accommodation.
- Phil Harris confirmed that the Outreach Workers regularly come into contact with Rough Sleepers, many of which are known to staff at Oasis House. When intelligence is received it is always acted upon.
- The "Killing with kindness" campaign was referred to.
- In response to a question regarding whether Beggars and Rough Sleepers are aware of where they can obtain help and support; Phil Harris confirmed that most are and are usually known to the Outreach Service, Hope Centre, and Maple Access etc.
- The Scrutiny Panel suggested it would be useful for the Panel to receive a copy of an information sheet that details where vulnerable people can receive advice and support. The Scrutiny Officer confirmed that such a document had been investigated by a previous Scrutiny Review and she would forward details to this Scrutiny Panel.
- The Scrutiny Panel suggested a potential recommendation for inclusion within its final report "There is further liaison with organisations such as the Hope Centre, Night Shelter to ensure there is no duplication of efforts."
- The public perception of Rough Sleepers and homelessness was acknowledged.
- Housing an individual is just part of the solution, organisations such as the Hope

Centre provide assistance and support.

- It is crucial that vulnerable people are housed with supportive housing.

Robin Burgess was thanked for his information address.

AGREED: (1) That the information provided is noted.
(2) That the Scrutiny Officer forwards to the Panel details of the information sheet about supportive services for vulnerable people.

5.D OPERATIONS MANAGER, MIDLAND HEART HOUSING ASSOCIATION

Due to unforeseen circumstances the Operations Manager, Midland Heart Housing Association was unable to attend the meeting. It was requested that she is invited to attend the next meeting.

5.E MANAGER, NAASH

The Scrutiny Panel noted the written response to its core questions from NAASH.

In response to a query regarding the Severe Weather Project, Phil Harris confirmed that it only operates when the temperature is forecast to be below freezing for at least three consecutive nights. Assuming that the building is ready on time, it is hoped that the Severe Weather Project will operate from the Night Shelter this year.

In answer to a question regarding conditions such as flooding, Phil Harris confirmed that, in the event of extreme weather conditions, the Severe Weather Project would be considered. He also explained that, if a person become homeless due to a fire or flood, they would automatically be deemed to be in priority need.

It was suggested that a potential recommendation of the final report could be around publishing the link to this service with a brief introductory paragraph about what it provides.

It was confirmed that Housing and Wellbeing Services communicates with a range of services, including faith groups, details of the help that is available. A further potential recommendation of the final report was suggested "The information about the services that are available for homeless people is reviewed regarding how it is promoted and distributed."

AGREED: That the information provided is noted.

6. BACKGROUND DATA

The Scrutiny Panel noted the background papers. It was noted that some of the papers were published a number of years ago. It was suggested that it would be useful for the Panel to receive a briefing paper on the Homelessness Reduction Bill at its next meeting. The Scrutiny Officer undertook to produce this, in liaison with the Co-Opted Member to the Panel.

The Scrutiny Panel enquired about the Social Lettings Agency and the work that the Council is doing with private sector landlords. The Head of Housing and Wellbeing undertook to produce a briefing note for the next meeting.

AGREED: (1) That the information provided informs the evidence base of this Scrutiny Review.
(2) That briefings on the Homelessness Reduction Bill and the Social Lettings Agency are presented to the next meeting of the Scrutiny Panel.

7. SITE VISITS

The Scrutiny Panel considered site visits to inform its evidence base:

- AGREED:
- (1) Councillors Zoe Smith, Terrie Eales, Vicky Culbard and Janice Duffy, together with Officers, visit the Hope Centre on 12 December 2016.
 - (2) Councillors Zoe Smith and Terrie Eales, together with Officers, visit a variety of temporary accommodation on 14 December 2016.

The meeting concluded at 7:37 pm

NORTHAMPTON BOROUGH COUNCIL

OVERVIEW AND SCRUTINY



SCRUTINY PANEL 3 – HOMELESSNESS

(PRE-DECISION SCRUTINY)

CORE QUESTIONS – EXPERT ADVISORS

The Scrutiny Panel is currently undertaking a review: Pre-Decision Scrutiny: To review how the Borough Council and its partners prevent homelessness and respond to those without homes in the borough

Key Lines of Enquiry

- To gain an understanding of the work currently being undertaken by Northampton Borough Council (NBC), partnerships, statutory and voluntary organisations to address homelessness
- To assess the extent of homelessness and rough sleeping in the borough assess the initiatives currently in place to tackle homelessness
- To examine the Council's Severe Weather Provision
- To gain an understanding of the effect on the health, wellbeing and the safety of homelessness people, including rough sleepers
- To gain an understanding of the causes and barriers to support homelessness
- Identify any specific groups that are not accessing services

The expected outcomes of this Scrutiny Review are:

- To reduce homelessness in the borough of Northampton
- An understanding of the local authority homelessness role and the services provided in Northampton
- A review of existing homelessness services in Northampton, in order to assess their quality and effectiveness and identify any significant gaps in service

CORE QUESTIONS:

A series of key questions have been put together to inform the evidence base of the Scrutiny Panel:

1. Please describe your understanding of the nature, causes and extent of homelessness and rough sleeping, and the impact that homelessness has on the health, wellbeing and safety of homeless people.
2. Please describe the services, assistance and support that are available to people who are homeless, including rough sleepers.
3. Please provide details of the contribution that your organisation is making (through its work and the initiatives in which it is involved) to tackle, prevent and reduce homelessness and rough sleeping in the borough.
4. Please provide details of the action that your organisation is taking to improve the health, wellbeing and safety of homeless people.
5. Please provide details of the local Homelessness Strategy and Rough Sleepers Strategy and how their implementation is being monitored and assessed.
6. Please provide details of the arrangements that have been put in place to provide rough sleepers with emergency shelter during severe weather.
7. Please provide us with any statistics and data you hold in relation to the number of people / households that are homeless, and details of the methodology you have used to count the number of people sleeping rough.
8. Are you aware of any specific groups that are not accessing local services and, if you are, please can you provide details and describe the reasons why some homeless people are difficult to engage and support?
9. Are there any significant gaps in service and do the services link together well enough?
10. How can we increase awareness of the services, assistance and support available to people who are homeless, including rough sleepers?
11. What action is being taken to ensure that all agencies and members of the public know what to do if they know that someone is homeless or sleeping rough?
12. Do you have any other information you are able to provide in relation to homelessness and rough sleeping?



NORTHAMPTON BOROUGH COUNCIL

SCRUTINY PANEL 3 – HOMELESSNESS

26 JANUARY 2017

BRIEFING NOTE: REPORT BACK FROM VARIOUS SITE VISITS

1 INTRODUCTION

- 1.1 At its inaugural meeting, Scrutiny Panel 3 (Homelessness) agreed that it would undertake a variety of a site visits to inform its evidence base.
- 1.2 Site visits were scheduled :
 - Two representatives of the Panel to visit the Hope Centre based at Oasis House
 - Representatives of the Scrutiny Panel to visit a variety of temporary accommodation around the borough

2 HOPE CENTRE

- 2.1 Councillors Zoe Smith and Janice Duffy visited the Hope Centre on Monday, 12 December 2016 between the hours of 10am and 11:30am. Phil Harris, Head of Housing and Wellbeing and Tracy Tiff, Scrutiny Officer also attended.
- 2.2 Councillors visited the day centre and observed a number of clients eating breakfast. Porridge is provided free of charge, as are cups of tea. Should individuals require a cooked breakfast a small charge is made. There is also a small charge for cereals.
- 2.3 Lunch is also provided at the centre. There is a small cost for the lunch. Individuals can also use the showers.
- 2.4 Clothes are donated and individuals can buy items for a small cost. There is a real need for underwear.
- 2.5 Various groups and sessions are put on during the day such as foot care, cookery, art, life skills, sport, Internet café (free of charge for 90 minutes use).

- 2.6 Councillors also visited Hope Enterprises. Hope Enterprises is a social enterprise and community interest company set up by Northampton's Hope Centre, a charity, with more than 40 years' experience working with the town's homeless, poor and excluded.
- 2.7 Through giving training and work, at a fair rate of pay, in a supportive environment, we help people to re-join society and stand on their own two feet
- 2.8 Hope Enterprises has three elements: -
- Hope Catering - contract catering and buffets for business meetings, parties and events.
- Hope Tools - a recycling and training social enterprise, refurbishing second-hand garden tools
- Hope PAT Testing - routine safety checking for all electrical appliances
- 2.9 Councillors had sight of the refurbished tools that had been refurbished by Hope Tools. Staff work alongside Hope Centre clients to recycle and refurbish tools and build products for gardens.

3 TEMPORARY ACCOMMODATION

- 3.1 On Wednesday, 14 December 2016 between the hours of 2pm and 4pm, Councillors Zoe Smith and Rufia Ashraf, along with Bev Brown, Temporary Accommodation Officer, Tiffany Whyte, Senior Homelessness Officer and Tracy Tiff, Scrutiny Officer visited a variety of temporary accommodation.
- 3.2 The site visit started with a visit to one of the units at County Chambers in the town centre. Councillors met with a woman who was temporarily living here. The flat was airy and spacious. It had one bedroom with two single beds and bed settee in the lounge area. She had been at the flat since August 2016 and had recently bid successfully for a property. Councillors were informed that on one occasion the woman had observed a rough sleeper sleeping inside the doorway of the shop next to the temporary accommodation. The Management Team at County Chambers are aware and are monitoring the situation, individuals temporarily residing at County Chambers have been advised to ensure that the main access door is kept closed.
- 3.3 The site visit then went to an 8 bed and breakfast property in Abington. The proprietor will only take couples and families. The property is spacious. Three of the rooms have the provision of an en-suite and there

are also two shared bathrooms and a kitchen that can be used. Councillors were please to note that free wi-fi is provided.

- 3.4 The site visit went on to a recently acquired temporary accommodation flat in Blackthorn. It had been recently decorated and furnished. The flat has one bedroom, with two single beds. The lounge area has a sofa along with a dining table and chairs. The kitchen had been recently refurbished which consisted of Electric Cooker, Washing Machine and Fridge, the bathroom consisted of a bath, over bath shower, toilet and wash basin.
- 3.5 The site visit concluded by driving to another location observing a couple of houses that are designated temporary accommodation, from the outside.

4 RECOMMENDATIONS

- 4.1 That the findings from the various site visits informs the evidence base of the Scrutiny Review – Homelessness.

Author: Tracy Tiff, Scrutiny Officer, on behalf of Councillor Zoe Smith, Chair, Scrutiny Panel 3 - Homelessness

15 December 2016



NORTHAMPTON BOROUGH COUNCIL

SCRUTINY PANEL 3 – HOMELESSNESS (PRE DECISION SCRUTINY)

26 JANUARY 2017

BRIEFING NOTE: PUBLISHED PAPERS - HOMELESS REDUCTION BILL 2016-2017

1 INTRODUCTION

- 1.1 At its meeting held in November 2016, Scrutiny Panel 3 (Homelessness) agreed that it would receive details of the Homeless Reduction Bill 2016 2017 (the Bill).
- 1.2 Detailed below is a summary of the Bill.

2 HOMELESS REDUCTION BILL 2016-2017

Background to the Bill

- 2.1 Conservative backbench MP Bob Blackman introduced a Private Members' Bill aimed at reducing homelessness, based on a report commissioned by the charity Crisis. The aim of the Bill is to reform the homelessness duties placed on local authorities to ensure that at-threat households receive better help quicker.
- 2.2 The Bill was committed to a Public Bill Committee. The Public Bill Committee met on 30 November 2016. The Bill had had its Second Reading debate on 28 October 2016.
- 2.3 Bob Blackman MP welcomed the Government's support for his Bill and said:

"I welcome the government's decision to support my bill to reduce homelessness. Throughout my 24 years in local government prior to becoming an MP, I saw the devastation that can be caused by homelessness first hand, with too many people simply slipping through the net under the current arrangements.

By backing this bill, the government is demonstrating its commitment to an agenda of social justice and also shows that it is willing to listen. I look

forward to working with Ministers going forward in order to bring about this important change in legislation.”

Aims of the Bill

- 23 The reported aims of the Bill is to refocus English local authorities on efforts to prevent homeless. The Bill is seeking to amend Part 7 of the *Housing Act 1996*. Its measures include:
- An extension of the period during which an authority should treat someone as threatened with homelessness from 28 to 56 days.
 - Clarification of the action an authority should take when someone applies for assistance having been served with a section 8 or section 21 notice of intention to seek possession from an assured shorthold tenancy.
 - A new duty to prevent homelessness for all eligible applicants threatened with homelessness.
 - A new duty to relieve homelessness for all eligible homeless applicants.
 - A new duty on public services to notify a local authority if they come into contact with someone they think may be homeless or at risk of becoming homeless.
- 2.4 It is reported that several provisions have financial implications for local authorities for which a money resolution will be required. The Government has stated that an impact assessment and new burdens assessment will be published in due course.

Government support

- 2.5 The Government supported the Bill's progress through Parliament on 24 October 2016. It is reported that Local authorities and their representative organisations had said that they could not support the draft Bill in the absence of an effective long-term national strategy.
- 2.6 The Local Government Association (LGA) said: *“There are further risks that, in areas where council resources are already particularly stretched, legislative change in isolation could affect their capacity to deliver good outcomes for groups of vulnerable people that they are successfully helping now.” The most controversial clauses from the local authority perspective have been removed from the final version of the Bill and, as a result, the LGA is reportedly close to supporting the Bill. There is certainly widespread support in the sector for a preventative approach to homelessness backed by adequate funding.*
- 2.7 The Chartered Institute for Housing (CIH) is reported to have said *“CIH is supporting the campaigning of Crisis and others for a change in the homelessness legislation in England. The campaign has now reached a*

*crucial point with the Homelessness Reduction Bill, a private member's bill, tabled by the Conservative MP Bob Blackman, due to be debated in parliament on 28 October. The Homelessness Reduction Bill will change the current law to make sure that councils have a duty to prevent and relieve homelessness irrespective of someone's priority status, which is the way the current system works. The Bill would extend the time that households are considered at risk of homelessness from 28 to 56 days and would require councils to provide emergency accommodation to people who have nowhere safe to stay to emergency accommodation."*s

Pressure for change

- 2.8 The Government reports that although a statutory framework has been in place to provide a safety net for homeless people in England since the enactment of the *Housing (Homeless Persons) Act 1977*, there has never been a comprehensive duty to secure accommodation for all homeless people.
- 2.9 In the summer 2015 Crisis established an Independent Expert Panel to consider the strengths and weaknesses of the homelessness legislation in England. In [The Homelessness legislation: an independent review of the legal duties owed to homeless people](#) (April 2016) the Panel said that the current safety net has a particular impact on single homeless people who "have no right to accommodation or adequate help to prevent or relieve their homelessness, even if they are sleeping rough." The Panel favoured changes to place more emphasis on preventative work within a statutory framework, particularly in relation to single people and childless couples.

Select Committee inquiry into homelessness

- 2.10 The CLG Committee launched an inquiry into homelessness in December 2015 in response to evidence that homelessness, particularly rough sleeping, was increasing. The Committee concluded that the service offered to homeless non-priority need applicants is "unacceptably variable." The Committee is supporting the *Homelessness Reduction Bill* and has called for a "renewed cross-Departmental strategy" to tackle homelessness.

New approaches in Scotland and Wales

- 2.11 For the Scrutiny Panel's information, both Scotland and Wales have legislated in recent years to address the longstanding lack of support for homeless single people has added to the pressure for change in England. In Scotland, there is a statutory duty on local authorities to find permanent accommodation for all applicants who are unintentionally homeless or threatened with homelessness. In Wales, local authorities have a duty to prevent all those threatened with homelessness from becoming homeless. Statistics covering the first full year of implementing the new

statutory provisions in Wales indicate some success in the prevention of homelessness.

Homelessness is increasing

- 2.12 The Government reports that statutory homelessness in England has increased since 2010. The financial year 2010/11 saw a 10% increase in statutory homelessness acceptances by local authorities, representing the first financial year increase since 2003/4. Homelessness acceptances continued to rise over the next three years but fell by 3% between 2012/13 and 2013/14. The 2014/15 financial year recorded a further increase, with acceptances 36% higher than in 2009/10 (but 60% below the peak in 2003/4). The 2015/16 financial year saw acceptances increase by a further 6% on 2014/15.
- 2.13 The Government goes on to state that the estimated number of rough sleepers in England has also increased each year since 2010. The autumn 2010 total was 1,768 while the autumn 2015 total was more than twice as high at 3,569. The number of rough sleepers increased by 30% between 2014 and 2015, the biggest year-on-year increase since 2011.

Why is homelessness increasing?

- 2.14 The Government reports that the rise in homelessness is due to:
- failure to ensure a sufficient supply of affordable housing.
 - the termination of assured shorthold tenancies in the private rented sector,
 - Housing Benefit restrictions introduced since 2010 which, it is argued, have made it difficult for claimants to secure housing at rents which Housing Benefit will cover.

Tackling Homelessness

- 2.15 On 17 October 2016 the Government announced a £40 million programme to provide an innovative approach to tackling homelessness. This includes:
- a new £10 million rough sleeping prevention fund to help individuals who might be struggling to get by from ending up on the street; it will also provide rapid and targeted interventions for new rough sleepers, such as helping them to access employment and education opportunities
 - also announced were details of £20 million for local authorities to trial new initiatives, responding to the specific needs in their communities and focusing on prevention at an earlier stage; these areas will work with a wider group of at risk people to help families and individuals before they reach crisis point – including

through new resident advice services and outreach work with landlords and private sector tenants

- a further £10 million Social Impact Bond programme has also been launched to help long-term rough sleepers who may be bouncing chaotically through the housing system – to address underlying issues such as poor mental health or substance abuse to help stop them from living on, and returning to, the streets

2.16 The Government goes on to state that it recognises that homelessness is not just a housing issue, and that for many people complex needs, such as mental health needs, provide a real barrier to improving their life chances. That is why the Government is working across government, including with the Department of Health, through the Ministerial Working Group on Homelessness.

3 RECOMMENDATIONS

3.1 That the information provided informs the evidence base of this Scrutiny Review.



NORTHAMPTON BOROUGH COUNCIL

SCRUTINY PANEL 3 – HOMELESSNESS (PRE DECISION SCRUTINY)

26 JANUARY 2017

BRIEFING NOTE: PUBLISHED PAPERS - SOCIAL LETTINGS AGENCY

1 INTRODUCTION

- 1.1 At its meeting in November 2016, Scrutiny Panel 3 (Homelessness) agreed that it would receive details of the social lettings agency that Northampton Borough Council is setting up in 2017.
- 1.2 Details of the social lettings agency are set out below.

2 ESTABLISHMENT OF A SOCIAL LETTINGS AGENCY

Background

- 2.1 On 11 January 2017, Cabinet approved the establishment of Guildhall Residential Lettings, an in-house social lettings agency.
- 2.2 The social lettings agency will manage and let properties that are leased by the Council or owned by individuals and businesses. If landlords want to manage the property themselves, it will help them find suitable tenants.
- 2.3 Operating as part of the Private Sector Housing Team in the Guildhall, the social lettings agency will employ 5 staff. Although it will not have a shopfront, it will have its own interactive website which will have the look and feel of a contemporary residential lettings agent.
- 2.4 The main purpose of the social lettings agency is to help the Council to improve standards in Northampton's private rented sector, bring empty homes back into use and make it easier for people to access good quality, well managed, affordable private rented accommodation.
- 2.5 It is intended, also, that the social lettings agency will prevent homelessness, reduce the Council's reliance on B&B accommodation and, in doing so, substantially reduce the Council's expenditure on temporary accommodation.

Improving standards in the private rented sector

- 2.6 The Council is committed to dealing robustly with criminal, rogue and irresponsible landlords – including the owners and managers of unlicensed HMOs – and to making full and effective use of its enforcement powers and the Housing & Planning Act 2016.
- 2.7 Northampton's intelligence-led, risk-based, 'offender pays' approach is set out in its Private Sector Housing Enforcement Policy and Fees & Charges Policy which encourage and reward good and responsible behaviour and impose penalties for bad and irresponsible behaviour.
- 2.8 Although the Council has a duty (under Part 4 of the Housing Act 2004) to make an Interim Management Order to take over the control and management of property for a period of up to 12 months in relation to licensable HMOs, and a power to take such action for non-licensable HMOs, in order to protect the health, safety or welfare of the occupants and people living within the vicinity, this is not a course of action that the Council has had to take to date.
- 2.9 The duty to take over the control and management of an HMO presents a number of challenges for the Council because, in common with many other local authorities, it is currently not equipped to deal with such a situation. As the Private Sector Housing Team's intelligence-led approach has identified a significant number of HMOs that are operating without a licence, there is a strong likelihood that the Council will need to take over the control and management of some HMOs in the future.
- 2.10 If a social lettings agency is established in Northampton, the Private Sector Housing Team will be in a much better position to make an Interim Management Order (lasting up to 12 months) and then a Final Management Order. A Special Interim Management Order may be applied for (to remove or significantly reduce an anti-social behaviour problem) when a landlord is failing to take action to address a problem in private rented accommodation.
- 2.11 The Housing & Planning Act 2016 strengthens local authority powers to tackle criminal, rogue and irresponsible landlords with the introduction of Banning Orders, a tougher 'fit and proper person' test and Civil Penalties of up to £30,000, together with changes to Rent Repayment Orders.
- 2.12 As the introduction of Banning Orders and a tougher 'fit and proper person' test is likely to increase the number of licensable HMOs that are not licensed and are unlikely to be licensed in the near future (see Paragraph 2.11, above), the social lettings agency will play a vital role in helping the Council to meet its statutory obligations in relation to Interim and Final Management Orders.

- 2.13 The introduction of Civil Penalties (which can be imposed as an alternative to prosecution) and the extension of Rent Repayment Orders (to cover a range of offences, not just licensing) is extremely important to the Council because all of the monies due to the Council will remain with the Council (to spend on housing related activity) rather than, as at present, being passed on to the Treasury.
- 2.14 Where a landlord is unable to manage their property themselves, the social lettings agency will offer them a solution. Better outcomes will be achieved, of course, if the social lettings agency takes on the management of such properties, especially if there are tenants in occupation.
- 2.15 It is hoped that the social lettings agency's ethical practice - including the transparency, fairness and simplicity of its system of fees and charges – will set a new benchmark for rental agents and encourage good practice.

Bringing empty homes back into use

- 2.16 At present, around 1,200 privately owned homes are empty in the borough and, of these, a quarter have been empty for at least 2 years.
- 2.17 Although many of these homes will not stay empty – because they are on the market, are in the process of being re-let or are being renovated – empty homes can blight neighbourhoods and attract squatters, crime, anti-social behaviour and vermin. They also add to the pressure on housing supply.
- 2.18 Dealing with these problems (including flytipping, vandalism and arson), and boarding up empty homes to make them secure, places a significant burden on public services. Bringing these homes back into use, therefore, will help meet housing need, improve the look and feel of local neighbourhoods, reduce crime and anti-social behaviour, and relieve some of the pressure on public services.
- 2.19 Experience in other parts of the country has shown that the employment of an innovative, persuasive and tenacious Empty Homes Officer can make a huge difference in bringing empty homes back into use and reducing the number of homes left empty for more than 6 months.
- 2.20 Section 85 of the Local Government Act 2003 authorises the sharing of council tax data for the purpose of helping to bring empty homes back into use. Arrangements are now in place for the Private Sector Housing Team to receive automated monthly reports of all listed empty homes in the borough. As the empty homes situation is constantly changing, this arrangement will ensure that Officers can access the most up-to-date data when tackling empty homes.
- 2.21 In order to achieve its objective of bringing empty homes back into use – and to encourage the owners of empty homes to either lease their properties to the Council (for use as temporary accommodation) or employ the social lettings agency to let and manage them on their behalf – it is proposed that an Empty Homes Officer is appointed and embedded within the social lettings agency.

- 2.22 The Empty Homes Officer will contact the owners of all privately owned empty homes in the borough to inform them of their full range of options (including letting and leasing) and explain what help is available from the Council and the social lettings agency to enable them to bring their empty homes back into use.
- 2.23 Often, it will take just a letter or conversation to prompt an owner to sell or let their empty home. Sometimes, it will require an inspection, a schedule of works, advice on how to secure the services of reliable contractors and/or the offer of a property management service, a leasing arrangement or help with repairs. Occasionally, it will require an enforced sale or compulsory purchase.
- 2.24 Some of the empty homes – including those that have been empty for a long time or are especially problematic – may require repairs and improvements to bring them up to the agreed lettable standard. It is proposed that, where an owner is willing to lease their empty property to the Council for 5 - 7 years, the Council will offer them an interest-free loan of up to £10,000 to pay for essential works and then recover this loan through deductions from the lease payments.
- 2.25 If the works are organised by the Council, a charge of 15% will be made. The rate at which the loan is repaid will depend on the amount borrowed, the length of the lease, the size of the lease payments and the owner's circumstances.
- 2.26 Although it is expected that the Council's private sector leasing scheme will be of interest to many of the owners of empty homes – because the Council is hoping to lease 40 family homes, as quickly as possible, to provide temporary accommodation for homeless households that would otherwise be living in expensive B&B – it is also expected that the owners will be interested in the whole range of letting and management services offered by the social lettings agency.

Improving access to private rented accommodation

- 2.27 In common with many other parts of the country, the high demand for private rented accommodation in Northampton exceeds supply, is pushing up rents and making it extremely difficult for people to access the private rented sector.
- 2.28 With so many tenants to choose from, none of the town's rental agents will now let to people who are reliant on Housing Benefit and, even though the Council's rental deposit scheme is still in operation, take-up is extremely low and landlords are no longer interested in the financial incentives offered.
- 2.29 During the past year, there has been a sharp rise in the number of households applying to the Council for assistance under the homelessness legislation. The loss of private rented accommodation – and the difficulty of accessing the private rented sector – is the main cause of homelessness in Northampton.

- 2.30 What is especially worrying is the growing number of people in full-time employment who are unable to access private rented accommodation due to the intense competition from other homeseekers, their inability to provide a guarantor and/or a difficulty in meeting agents' fees and charges.
- 2.31 Although the social lettings agency will need to be satisfied that prospective tenants are able to afford the rent and are capable of sustaining the tenancy, it will not normally require a guarantor, it will consider people who are reliant on Housing Benefit and it will accept the Council's rental deposit scheme.
- 2.32 Although the Government has recently announced that it will prohibit letting agents from imposing fees and charges on tenants, it has not yet published details of its proposals or, indeed, its plans for consultation. Until tenants' fees and charges are outlawed, they will continue to be a significant barrier to people's access to decent, well managed private rented accommodation.

Preventing homelessness

- 2.33 The social lettings agency will manage a mixed portfolio of homes and let them to a broad range of tenants, including key workers, people with disabilities and people who are homeless or at risk of becoming homeless.
- 2.34 In 2014/15, the loss of private rented accommodation accounted for 123 (42%) of the homeless households for whom the Council accepted a housing duty. In 2015/16, it accounted for 149 (46%) of the acceptances and, during the first six months of 2016/17, the figure had already reached 135 (57% of acceptances).
- 2.35 Although the Council's Housing Options & Advice Team works hard to prevent homelessness wherever possible, it is especially difficult to negotiate with landlords or rental agents who are intent on obtaining vacant possession in order to sell the property or let it to someone else at a much higher rent.
- 2.36 The problem is compounded by the fact that, even when they have been an exemplary tenant, tenants often find it extremely difficult (for the reasons described in Paragraph 3.2.27, above) to secure suitable alternative private rented accommodation that they can afford.
- 2.37 The social lettings agency will play an active role in shaping the attitudes of the owners of the homes it is managing and, by putting in appropriate safeguards, it will encourage them to accept people who are reliant on Housing Benefit.
- 2.38 If tenants are unable to raise the two months' deposit, assistance may be given by the Council's rental deposit scheme on the condition that any deposit that is subsequently returned to the tenant (by their former landlord) will be paid to the Council to offset the rental deposit it has paid.
- 2.39 Although its capacity to prevent homelessness will be limited by the number of homes it is managing and the number of properties available to let, the social lettings agency will do everything it can to prevent private tenants from becoming homeless by offering them alternative private rented accommodation.

- 2.40 Depending on the number of properties available, it will also prevent other households from becoming homeless, wherever practicable.

Reducing the Council's reliance on B&B

- 2.41 Although the number of homeless households living in Bed & Breakfast accommodation – and, indeed, the overall number of homeless households living in temporary accommodation – increased gradually in 2015/16, the number has risen sharply since May 2016.
- 2.42 At the end of May 2016, there were 82 homeless households living in temporary accommodation, including 32 in B&B accommodation.
- 2.43 Between the end of May 2016 and the end of October 2016, the number of homelessness applications increased. As a result, the number of households living in temporary accommodation increased to 140 (a 71% increase) and the number of households living in B&B increased to 74 (an increase of 131%).
- 2.44 Although it is important that the social lettings agency does not become too reliant on private sector leasing to secure the properties it manages – because it needs to prove that it can successfully compete in the mainstream residential lettings market – its success in bringing empty homes back into use and helping the Council reduce its use of B&B is reliant on the existence of a successful private sector leasing scheme.
- 2.45 It is proposed, therefore, that the social lettings agency will lease a total of 40 family homes (as a replacement for B&B) as soon as practicable. Although other action will also be taken to reduce the Council's use of B&B, the private sector leasing scheme will help to reduce the Council's financial exposure.

Reducing expenditure on temporary accommodation

- 2.46 Although the private sector leasing scheme will substantially reduce the amount of money that the Council spends on B&B, it is hoped the social lettings agency will also help the Council prevent homelessness and, in doing so, further reduce expenditure on temporary accommodation.
- 2.47 By showing landlords that people who are receiving Housing Benefit are reliable and do comply with their tenancy conditions – and that there is a more ethical way of managing and letting properties – the social lettings agency will attract more business, manage a growing portfolio of properties and enable an increasing number of people to meet their needs in the private rented sector.
- 2.48 Increased landlord confidence in the social lettings agency and the Council's rental deposit scheme will help to maximise the number of tenants who are able to secure suitable, good quality accommodation through the social lettings agency's 'Tenant Finder' service.
- 2.49 It is hoped that, once established, the social lettings agency will be able to play an active role in helping the Council to successfully discharge its homelessness duty to homeless households with offers of suitable private rented housing.

Social lettings agency operating model

- 2.50 The social lettings agency will manage and let properties that are leased by the Council or owned by individuals and businesses. If landlords want to manage the property themselves, it will help them find suitable tenants.
- 2.51 Operating as a distinct business unit within the Private Sector Housing Team on the Second Floor of the Guildhall, the social lettings agency will employ 5 staff. Although the social lettings agency will not have a shopfront, it will have its own interactive website which will have the look and feel of a contemporary residential lettings agent.
- 2.52 During the first year, the social lettings agency will manage 100 homes:
- 40 family-sized homes that will be leased by the Council (under its private sector leasing scheme) for use as temporary accommodation;
 - 28 flats and apartments that are already being leased by the Council (under an empty property / affordable housing scheme) but are currently being managed by Northampton Partnership Homes; and
 - 32 flats and houses that will be let and managed by the social lettings agency, on behalf of owners, in return for a management fee.
- 2.53 Northampton's social lettings agency will be fundamentally different from other social lettings agencies because it is based on a private sector residential lettings model (rather than a local authority model), it is planning to use the software that the private sector uses (rather than the software that local authorities use) and it is being set up with the primary objective of improving standards in the private rented sector.
- 2.54 Furthermore, unlike other letting agents, the social lettings agency will be actively looking for opportunities to attract funding to improve the homes it is managing, for the benefit of tenants and landlords. An example of this might be where new boilers are being provided, free of charge, to improve the warmth and energy efficiency of homes occupied by people in receipt of a qualifying benefit.
- 2.55 To minimise staffing costs and compete successfully with other agents, the social lettings agency will encourage self-service and make optimum use of information technology and the industry's leading software.
- 2.56 It is hoped that, over the next 3 years, the social lettings agency will achieve steady, year-on-year growth from a portfolio of 100 homes in 2017/18 to a portfolio of at least 250 homes by the end of 2019/20.

3 RECOMMENDATIONS

- 3.1 That the information provided informs the evidence base of this Scrutiny Review.

Phil Harris, Head of Housing & Wellbeing, on behalf of Councillor Zoe Smith

, Chair, Scrutiny Panel 3 – Homelessness