

SAFER NEIGHBOURHOODS AND ACTIVE COMMUNITIES SCRUTINY BOARD

Housing allocations & the use of temporary accommodation

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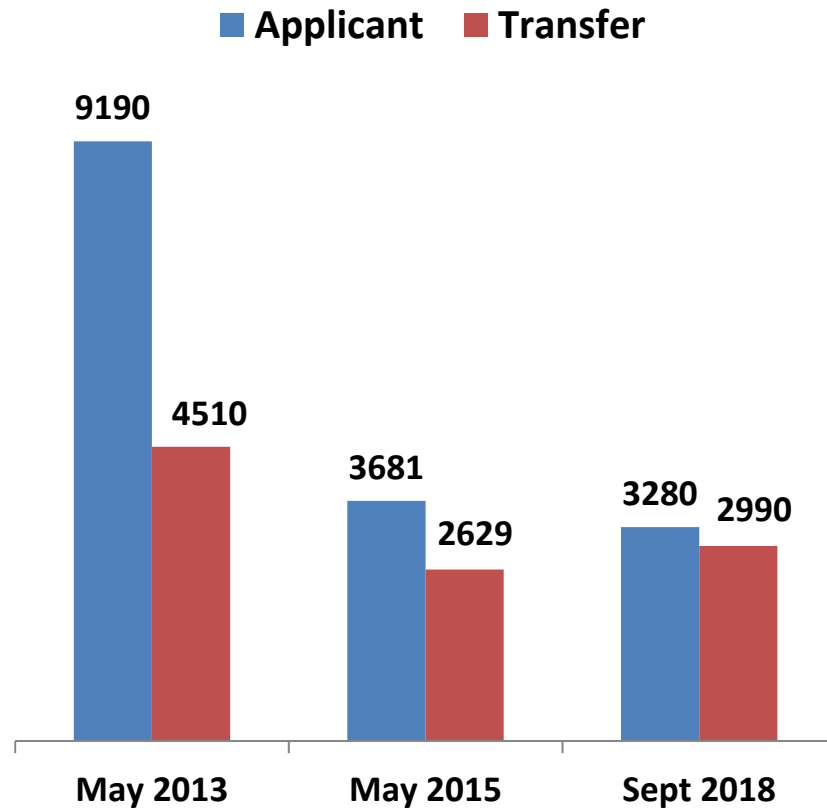


Previous review....

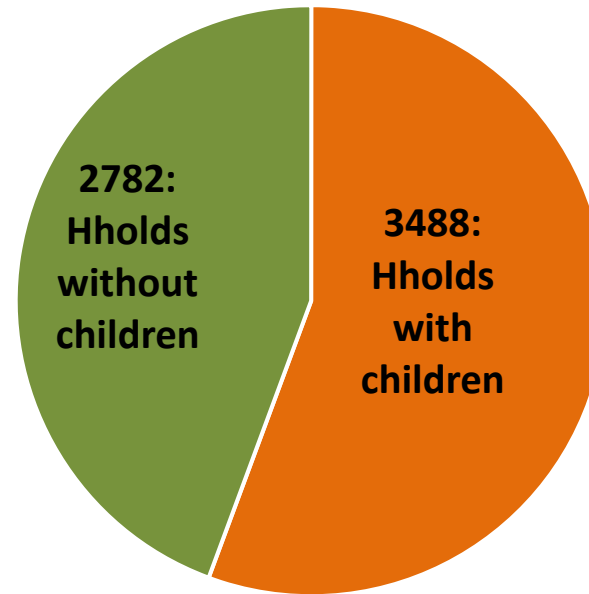
- Current policy came into force April 2013
- Key amendments in 2013 revision were:
 - **Five year residency test**
 - **Making better use of stock**
 - Extending Band One priority to all households under-occupying a house
 - 3&4 bed houses restricted to households with children U16
 - Greater priority to households with children in flats
 - Greater priority to overcrowded households



Housing Register...



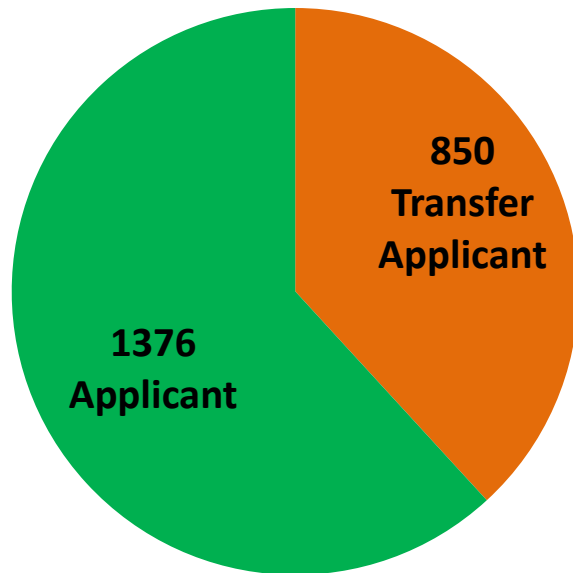
Households with/without children
Sept 2018



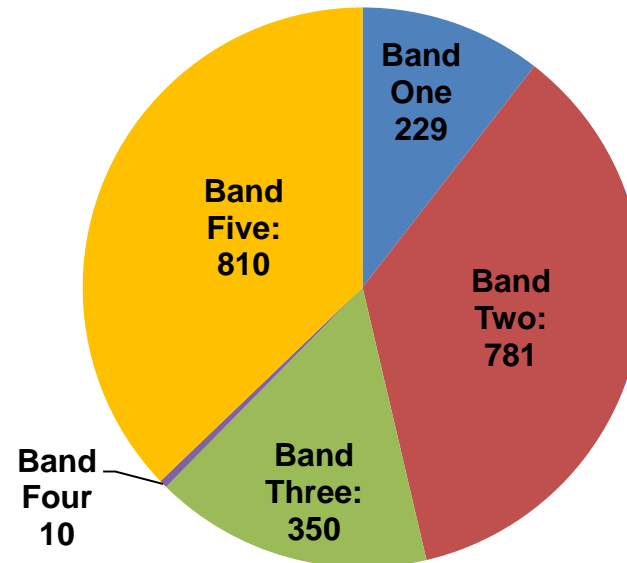
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Lettings 2017/18...

By Applicant/Transfer:



By Priority Band:



Affordability in Private Rented Sector (PRS) becoming a major issue

- Households reliant on LHA have increasing difficulty accessing private rented sector (PRS):

Average Weekly Lower Quartile Market Rents 2015 and 2017 against weekly Local Housing Allowance Rates:

| Bedroom Number | 2015 Lower Quartile (£) <i>(Hometrack 2015)</i> | 2017 Lower Quartile (£) <i>(Hometrack 2017)</i> | Local Housing Allowance (£) <i>(Frozen until 2020)</i> | Weekly affordability gap |
|----------------|--|--|---|--------------------------|
| One | 86 | 104 | 86 | -£18 |
| Two | 114 | 121 | 105 | -£16 |
| Three | 127 | 138 | 120 | -£18 |
| Four | 172 | 167 | 151 | -£16 |



Impact of 5 Year Residency Test

- Many households caught up in the PRS affordability trap are also excluded from the housing register on account of the residency test/*ability* to provide proof
- Acts as a significant administrative burden
- Residency test acting as a growth stimulant for the private rented sector as it targets the excluded cohort above
 - Sandwell ranked 56/391 local authorities in Great Britain (excludes Northern Ireland) for rental market activity (*Hometrack 2017*)
 - Recent (2018) BRE Study found 26% of entire Sandwell housing stock is privately rented. This equates to a third of all privately owned stock in the borough.



Challenges ahead.....



Age restriction/customer base mismatch (1)

| | <u>One Bedroom Flats</u> | | <u>Two bedroom Flats</u> | | <u>Number of Applicants aged <40*</u> |
|--|--------------------------|-----------|--|-----------|--|
| | Total Flats | % 40+ age | Total Flats | % 40+ age | |
| Oldbury | 908 | 91 | 883 | 72 | 298 |
| Rowley | 857 | 98 | 825 | 29 | 178 |
| Smethwick | 694 | 40 | 501 | 57 | 404 |
| Tipton | 1083 | 42 | 838 | 24 | 290 |
| Wednesbury | 556 | 62 | 125 | 75 | 199 |
| West Brom | 1800 | 29 | 1245 | 28 | 511 |
| TOTAL | 5898 | 55 | 4417 | 41 | |
| No. Applicants on register aged <40 (Sept 18): 2275 (70%) | | | No. Applicants on register aged >40 (Sept 18): 1005 (30%) | | |
| *Exclude Out of Borough Applicants | | | | | |



Stock/Customer Base mismatch (2)

- 70% of applicants are excluded from typical 'entry level stock type'
- Looked After Children
- Council's ability to meet requirements of Homelessness Reduction Act
- Move-on
- Housing register getting 'younger'
- Age restrictions (Local Lettings Plans) need to be reviewed to meet legislative requirements



Challenges/options.....

- Ensure the policy does not discriminate against vulnerable persons who are supported appropriately e.g. Housing First
- Ensure policy is consistent with the requirements of the Homelessness Reduction Act
- Provide greater support to looked after children – reviewing age restrictions and permitting them to register for housing at 16 years of age
- Provide incentives for people to access the PRS as a eventual gateway to a Council home
- Offer a priority to economically active households



The Use of Temporary Accommodation



Legislative Background

Housing Act 1996 Part VII

Temporary accommodation must be provided where:

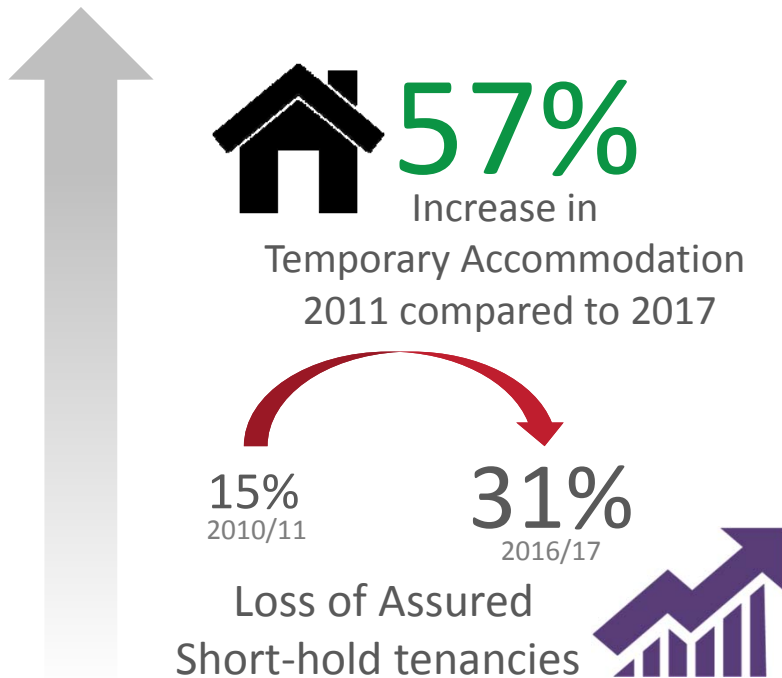
There is reason to believe an applicant may be homeless, eligible and have priority need – Interim duty (s188) or

Full duty (s193) applies following the completion of investigations

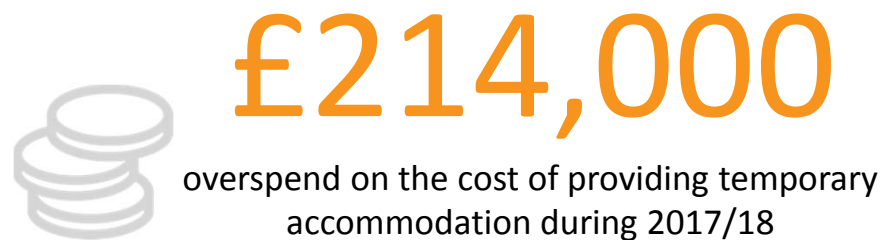
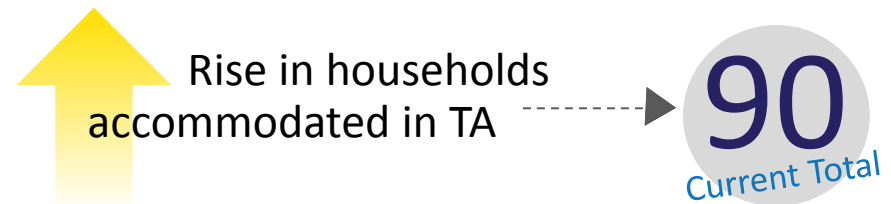


National context

Sandwell



Compounded by the impact of Welfare Reforms such as the Housing Benefit cap for large families and the freezing of the LHA rate.



Reasons for increase

- Private rents have increased yet LHA rates have remained the same – leading to an increase in lack of affordability within the Private Rented Sector
- Reducing turnover of council accommodation
- Increasing number of larger families presenting / lack of suitably sized accommodation
- Clients present at crisis which leaves little time for officers to prevent the homelessness occurring



Temporary accommodation provision

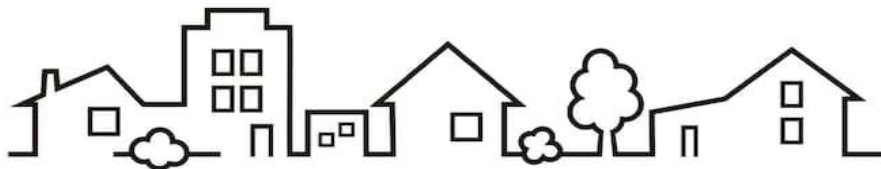
The following units of accommodation are currently used for TA

25 Self contained units in Private Rented Sector

Bed & Breakfast / hotel accommodation **48**

6 Private sector HMO

Own stock - working to bring an additional 9 units of accommodation **11**



Homeless reason

TOP

reasons for placing in temporary accommodation



1. Loss of AST

3. Family Exclusion

2. Loss of NASS Accommodation

4. Relationship breakdown (violence)

5. Relationship breakdown (non-violence)



Reducing the use of Temporary Accommodation

- TA Review group established
- Lead officer identified
- Weekly placement meetings
- Access to DHP to meet shortfall in B&B / hotel accommodation
- Co-location of Welfare Rights Officer to assist with HB claims
- Monthly Meetings with Revenues and Benefits to review on-going claims
- Increase use of own stock to reduce costs



Reducing the use of Temporary Accommodation

- Introduction of additional performance Indicators to focus on outcomes
- Tender exercise underway for B&B accommodation to reduce costs
- The Housing Choice restructure will provide an additional 3 officers within the Temporary Accommodation Team
- A strong emphasis is placed on TA with all employees to ensure it remains a high priority
- Improved training offer



Any Questions?

