

	<b>REPORT TO CABINET TO BE HELD ON 3 SEPTEMBER 2019</b>	
	<b>Key Decision</b>	<b>YES</b>
	<b>Forward Plan Ref No</b>	
<b>Corporate Priority: People</b>	<b>Cabinet Portfolio Holder</b>	Cabinet Member for Finance and Operations

**REPORT OF: DIRECTOR (NE) – 19/153**

**WARDS AFFECTED: ALL**

**SUBJECT: HOMELESSNESS AND ROUGH SLEEPING  
STRATEGY AND REVIEW 2019-2023**

**RECOMMENDATION (S):**

Cabinet is recommended to:

- 1) Recommend to Council the adoption of the Homelessness and Rough Sleeping Strategy and Review 2019-23.
- 2) Approve recommendations within the strategy that have key financial implications. These are:
  - a) Approval for the use of £500K in capital funding (s106 monies) to support the development of temporary accommodation for homeless people (subject to further consent on each individual development that comes forward).
  - b) Enter into four year Grant Agreements with voluntary sector organisations to support the delivery of the strategy. These are:
    - CAB – £73,525 per annum
    - Rainbow Centre – £16,000 per annum
    - Foundation Housing/ Making Safe - £5,000 per annum
- 3) Give 'in principle' agreement for the use of land at Danes Dyke, Newby for the purpose of developing a refuge for victims of Domestic Violence (subject to further consent regarding the terms of any land sale and strategic support and revenue funding being available from NYCC).

- 4) Instruct officers to undertake a selection process to secure a Registered Provider to take forward the development of land at Danes Dyke for the purpose of developing a refuge. This process should look at the level of experience different providers have in developing such accommodation, financial capacity, deliverability and potential levels of receipt for the sale of the land. Outcomes from this process shall be reported back to Cabinet early 2020 and inform any final decision on the land sale.

## **REASON FOR RECOMMENDATIONS**

The Council has various statutory duties towards the homeless including development and implementation of a Homelessness Strategy and Review.

### **HIGHLIGHTED RISKS:**

See attached matrix.

## **1. INTRODUCTION**

- 1.1 This report seeks approval of Homelessness and Rough Sleeping Strategy for the period 2019-23. The strategy includes a review of levels of homelessness within the Borough as well as key actions required over coming years to effectively meet future challenges.
- 1.2 The report also highlights key financial implications to the Council of objectives within the strategy including the development of further temporary accommodation and the provision of grant funding to voluntary sector providers.
- 1.3 Subject to further consents, the report also seeks an in principle commitment regarding the use of land at Danes Dyke, Newby for the purpose of developing a refuge for victims of domestic violence.

## **2. CORPORATE AIMS/PRIORITIES AND THE COMMUNITY PLAN**

- 2.1 Contributes to Aim 3 of the Council's Corporate Plan, 'Creating Healthy and Vibrant Communities'.

## **3. BACKGROUND AND ISSUES**

- 3.1. The **Homelessness Act 2002** and Parts 6 and 7 of **the Housing Act 1996** place a variety of obligations on the Council toward the homeless. These duties include; homeless prevention, housing advice, the provision of temporary accommodation and the provision of permanent accommodation for homeless people who are deemed to be owed a full duty under the

legislation. These duties were further enhanced in 2018 through the introduction of the **Homeless Reduction Act 2017 (HRA)**.

3.2 The HRA has far reaching implications in relation to the Council's approach to preventing and relieving homelessness within the Borough. Its measures include:-

- An extension of the period during which an authority should treat someone (regardless of priority need) as threatened with homelessness from 28 to 56 days.
- A new duty to prevent homelessness for all eligible applicants threatened with homelessness (regardless of priority need) and a requirement to provide applicants with housing prevention plans.
- A new duty to relieve homelessness for all eligible homeless applicants (regardless of priority need) and a requirement to provide applicants with housing relief plans.
- A new duty on certain external organisations (including prisons and hospitals) to refer homeless households to the Council.

3.3 Overall the Act extends the duties of the Council to a much broader group than it has historically had a duty to help. This means the Council must redouble its efforts to prevent and relieve homelessness.

3.4 The legislation also requires Housing Authorities to undertake 'reviews' of homelessness within their areas and to have strategies in place to tackle identified issues. The purpose of these strategies is to outline the ways that councils and their partners work together to prevent homelessness and to provide housing and support for the homeless.

3.5 The Council's existing Homelessness Strategy has been subject to annual update since its adoption in 2015 and is now due to be updated in line with the Government's recent **Homelessness Code of Guidance for Local Authorities 2018**.

3.6 The strategy (**Appendix A**) provides a statistical update with regard to levels of homelessness within the Borough. It highlights key challenges and makes recommendations on how these challenges can be met. A draft action plan is included.

3.7 The development of the strategy has been informed by a recent peer review of homelessness services within the Borough undertaken by the National Practitioner Support Service (NPSS). The Council has been the first local authority nationally to be reviewed by this service post the introduction of the Homelessness Reduction Act.

3.8 This review was undertaken in January 2019. Key feedback was that the Council's approach to the introduction of the Act was good. We were well

prepared and the processes we had implemented were positive as was the new structure.

- 3.9 The review did however highlight a number of areas where the Council's approach to the new legislation could be improved further, particularly around levels of staff support and supervision. The review also made recommendations around rough sleeping and temporary accommodation that have also been fed into the strategy action planning.
- 3.10 To support the implementation of the new legislation the Government recognised that Councils need funding support. A new Flexible Homelessness Grant was announced and the Council was awarded a net increase in homelessness grant of £138K in 2017/18, £159K in 2018/19 and a further £183K in 2019/20. This funding is ring -fenced to support homeless prevention activity and primarily being used to cover additional staffing costs and help pay for interventions to prevent homeless. The financial modelling for the available monies has ensured that available funding covers the period of this strategy up to 2022/23. Going forward there is no certainty around the future of Flexible Homelessness Grant. Should this funding end then post 2022/23 the Council may need to reassess its options and consider growth (if required at that point in time) or scale back the level of service provided.
- 3.11 The strategy should be read within the context of the Council's adopted **Housing Strategy 2017-21**. That strategy was considered by Scrutiny Board in 2017 and adopted by Council that year. That strategy covers a broader range of issues including housing supply, affordable housing delivery and improving housing conditions. The Homelessness Strategy focusses specifically on homelessness.

## 4.0 CONSULTATION

- 4.1 Full consultation was undertaken with stakeholders to support the development of this strategy throughout May and June 2019.
- 4.2 This included one to one sessions with key partners and a presentation to the local homelessness forum. Feedback from members of the public was sought via a web based consultation.
- 4.3 All Members of the current Council were invited to attend a briefing seminar and provide comment on the strategy in June 2019 prior to its consideration by Cabinet. The seminar was well attended and generated a range of suggestions and areas to consider. In addition the strategy was considered by Scrutiny Board on 3 July 2019 as a result of which a number of changes were recommended and been incorporated. These changes included:
- Additional emphasis and narrative highlighted within the strategy on the main causes of homelessness and interventions to prevent it happening.
  - Additional emphasis and narrative around mental health and drug and alcohol addiction.

- An evaluation of the extent of homelessness for ex-service personnel and additional actions included within the strategy action plan.
- Support for the development of a refuge for victims of domestic violence including a request that the Council restates its commitment to release land at Danes Dyke, Newby for this purpose.

4.4. Feedback on the strategy has also been received from officials at the Ministry and Housing, Communities and Local Government (MHCLG) and discussions have been had with various service managers within the Council.

4.5 A summary of consultation feedback and changes made as a result can be found within Appendix B to this report.

## 5.0 OVERVIEW OF THE STRATEGY

5.1 The Strategy provides various statistical information concerning trends in homelessness locally. Key points to note are:

- Nationally, levels of homelessness have been increasing in recent years. Between 2010/11 to 2017/18 Local Authorities reported a significant increase in the number of households deemed to be 'statutory homeless' and owed a full rehousing duty. In 2010/11, 44,000 households were deemed to be homeless and owed a rehousing duty as compared to 58,000 in 2017/18.
- At the local level however, the number of households becoming homeless (owed a rehousing duty) over the same period reduced from 142 households in 2010/11 to 109 in 2017/18. However the Borough has seen a steady increase in numbers overall since 2014.
- The Homeless Reduction Act has however radically changed the way homelessness is recorded nationally and provides a much clearer and detailed overview of the way homelessness is recorded.
- In 2018/19 the Council owed a statutory **Homeless Prevention Duty** to **401** households. These are households who were deemed to be at **threat of homelessness** within 56 days. It includes everyone regardless of their local connection, priority need or the reason for their homelessness. Of these households **339** had their homelessness prevented by the Council or one of our partners. This represented an 84% success rate in preventing homelessness as compared to the national average of 56%.
- In 2018/19 the Council owed a statutory **Homeless Relief Duty** to 328 households. These are households who are **already homeless**. It captures everyone regardless of priority need or the reason for their homelessness but does not include those with no local connection to the area. Of these **241** had their homelessness relieved through the

offer of accommodation either within social housing or privately rented property. This represents a 73% success rate as compared to the national average on 58%.

- Nationally the number of homeless households living in temporary accommodation has risen sharply since 2010. Almost 80,000 households were staying in temporary housing at the end of March 2018 compared with 48,010 in the same period eight years before.
- At the local level, numbers have also increased over the last three years. As at the end of March 2019, 63 households were in temporary accommodation as compared to 36 households in March 2016. In addition the Council's spending on providing temporary accommodation is increasing. During 2018/19 the Council spent £231K on temporary accommodation as compared to £105K in 2015/16.
- At the national level there has been a 165% increase in levels of rough sleeping since 2010 and rough sleeping remains a challenge within the Borough. In November 2018, 8 people were identified as sleeping rough at one count. This was a significant increase on the one person identified on the same night in 2017. Whilst numbers fluctuate due to seasonal variations, it is estimated that on average around 10 people are sleeping rough on any given night within the Borough

5.2 The draft strategy highlights key future challenges. These include:

- Successfully meeting the increased demands of the Homelessness Reduction Act 2017 by further emphasis on the need to prevent and relieve homelessness.
- Increased demand for temporary accommodation and associated cost.
- The impact of wider public sector funding cuts, in particular the impact of future commissioning decisions by North Yorkshire County Council (NYCC) regarding housing related support services for the homeless and young people. The Council and other districts and also NYCC recently collectively pooled resources to ensure the housing support service is maintained in response to reductions imposed by NYCC.
- The risk of increasing levels of rough sleeping.

5.3 The strategy contains four broad objectives. These are:

- 1. Preventing and Relieving Homelessness**
- 2. Reducing the use of temporary accommodation**
- 3. Ending Rough Sleeping**
- 4. Tackling Youth Homelessness**

5.4 The strategy contains a range of actions to meet the challenges of coming years. The Action Plan can be found in **Appendix A** of the document. Key actions and priorities to note include:

- Continued emphasis on prevention. Sustaining key prevention services and bolstering local partnership arrangements.
- Increased emphasis on ‘self-serve’ and web based information to reduce demand.
- Continued emphasis on tackling the main causes of homelessness, including domestic violence including support for the development of a women’s refuge.
- The need to reduce the use of B&B for homeless people and increase the pool of Housing Association owned temporary accommodation through the use of capital funding.
- The need to ensure that housing related support services to the homeless within temporary accommodation are sustained in order to ensure that temporary accommodation is managed in a sustainable way.
- The need to end rough sleeping in the Borough by 2027 including a commitment to sustain existing services, increase capacity through the employment of a rough sleeping co-ordinator and by the development of a new ‘single service offer’.
- An on-going commitment to support the Young Persons’ Pathway.

5.5 The strategy sets out some of the funding implications for these recommendations. In particular it sets out how **Flexible Homelessness Grant** is being utilised within the Council’s homelessness budgets as well as setting out the savings case from capital investment.

## 6.0 IMPLICATIONS

### (a) Policy

Tackling homelessness is a statutory duty and there are no new policy implications for the Council that arise from this report or the strategy.

### (b) Financial

The strategy sets out how the Council is using its existing homelessness revenue budgets and ring-fenced Government Flexible Homelessness Grant to help meet its objectives.

There are no recommendations contained within this report or the strategy that require any 'growth' within the Councils budgets at this time.

The strategy does however set out potential financial risks to the Council going forward these include the potential impact of cuts to services funded by NYCC including the Young Persons Pathway and the short term nature of Government Grant funding. These issues are likely to be subject to further reports to Scrutiny Board and Cabinet during the period of the strategy further recommendations may arise as a result.

### **Temporary Accommodation**

The strategy also sets out the need to invest capital funding to support the development of around 10 further units of temporary accommodation for homeless people. It recommends that £500K is set aside by the Council for this purpose. **See Objective Two.**

This report therefore seeks the necessary approval to do this and recommends that £500K is set aside by the Council as 'match funding' in order to work with Registered Providers to acquire and convert empty dwellings within the Borough for temporary accommodation for homeless people.

This funding commitment is being sought in line with existing Council Empty Homes Policy. This policy caps the level of financial contribution by the Council to no more than 50% of total development cost and sets out the legal and contractual requirements.

It is important to note that investment into Housing Association owned temporary accommodation, whilst requiring an upfront capital funding commitment, generates significant revenue savings to the Council. Just 10 additional units of temporary accommodation is likely to save in the region of £80K per annum to the Council.

### **Grants to Voluntary Organisations**

This report and strategy also highlights the valuable role played in preventing homelessness by charitable and voluntary organisations. Whilst no additional revenue funding is being requested, the strategy does nevertheless state its long term commitment to support the work of this sector and to sustain funding at current levels.

This report therefore recommends that Grant Agreements with key organisations including the CAB, the Rainbow Centre and Foundation Housing are renewed and that current levels of funding are sustained for the period of the strategy.

It is recommended that £73,525 per annum continues to be paid to the CAB to sustain the variety of valuable work they undertaken (particularly around debt and welfare advice).

It is recommended that £16,000 per annum is paid to the Rainbow Centre to sustain the services they already provide around 'resettlement' and 'day services' for rough sleepers.

It is recommended that a further £5,000 per annum is paid to Foundation Housing to support the provision of temporary accommodation of perpetrators of Domestic Violence under the Making Safe Scheme.

These payments shall continue to be made in the form of grant under the Localism Act 2011. Terms of grant payments shall be included within refreshed and updated agreements.

NB. The Council has already committed to sustain revenue funding for the jointly commissioned Newburn House Service and Winter Watch Services (see report ref 19/005 15/1/2019).

The four year agreements with the voluntary organisations will include a clause to allow the Council to terminate any contract subject to providing twelve months' written notice. This protects the Council's financial position whilst the future spending review is uncertain.

### **Women's Refuge**

The strategy also commits the Council to kick start its longstanding commitment toward the development of a Refuge for victims of domestic violence in the Borough.

Cabinet are aware that previous consent was given in July 2015 to sell a parcel of land at Danes Dyke, Newby for this purpose in (see report 15/193). This recommendation was made following a lengthy process of site identification that included an assessment of all Borough Council owned land.

A development partner and funding was in place to take this development forward and planning approval was in place.

The scheme did not progress however due to uncertainty following a lengthy consultation by Government over levels of rent that could be charged for supported housing. This consultation lasted three years during which time the development of supported housing stalled nationally and the existing development partner withdrew their commitment.

The uncertainty around rents is now resolved and the strategy proposes that work is recommenced in taking forward the development of a refuge. This shall require a fresh needs appraisal and a commitment from NYCC regarding levels of future revenue funding to pay for housing support. A development partner shall also need to be secured.

To assist this process, given that previous consents have now expired, this report recommends that the Council reaffirms its commitment and give its 'in-principle' agreement to release the land at Danes Dyke for the purpose of developing a refuge. This commitment shall enable officers to take steps to secure a development partner through a form of selection process and lever in the necessary capital and revenue funding required.

It is important to note that any progress in developing such a facility locally requires the strategic support of NYCC (who pay for support costs) and who may going forward have a statutory duty commission such refuges where required.

Any future decisions on the sale of this land would be subject to further reports that would consider land value and receipts (including the level of receipt for a refuge as compared to open market value) and any other financial implications for the Council.

It is proposed that the selection of a development partner to build and manage a refuge should look at factors such as experience, financial capacity, deliverability and levels of land receipts. Outcomes of this process and any financial implications shall be reported back to Cabinet early 2020.

#### **(c) Legal**

The **Homelessness Act 2002** and Parts 6 and 7 of **the Housing Act 1996** place a variety of obligations on the Council toward the homeless. These duties include; homeless prevention, housing advice, the provision of temporary accommodation and the provision of permanent accommodation for homeless people who are deemed to be owed a full duty under the legislation. These duties were further enhanced in 2018 through the introduction of the **Homeless Reduction Act 2017 (HRA)**.

#### **(d) Equalities and Diversity**

The provision of services for homeless people will have a positive impact in terms of Equalities and Diversity issues.

#### **(e) Staffing Issues**

There are no new staffing implications that arise from this report or strategy.

Various structural changes have already been undertaken in advance of the Homeless Reduction Act that have resulted in a net increase in the number of staff overall working on homelessness within the Council.

In addition the strategy highlights that the Council has successfully obtained external Government funding to employ a rough sleeping co-ordinator.

Staff currently working for Horton Housing providing support for homeless people are to be transferred to the Council on 1 October 2019 (see report ref 19/113, 31 May 2019)

**(f) Environmental, Health and Safety, Sustainability, Crime and Disorder**

The provision of services to reduce rough sleeping will have a positive impact in terms of Environmental, **Health and Safety, Sustainability, Crime and Disorder**

**(g) Planning**

No implications

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## RISK ASSESSMENT

Risk Ref	Date	Risk	Consequences	Mitigation	Current Risk Score	Target Score	Service Unit Manager/ Responsible Officer	Action Plan
1	Sept 2019	The Council does not approve a Homeless Strategy	<p>The Councils existing strategy has expired and no adopted plan would be in place.</p> <p>The Council would be in breach of its legal requirements and could face censure (and the loss of funding support) from Government</p>	The Council adopts the strategy	A2	A1	Housing manager	
2	Sept 2019	Levels of homelessness and rough sleeping continue to rise	Additional cost to the Council and worsened outcomes for local people	The actions within this strategy sustain or bolster the Councils approach to preventing and relieving homelessness. Whilst the Council is unable to fully mitigate against external factors outside of its control, the strategy sets a plan and strategic framework around which to work with the resources available.	C3	B3	Housing manager	
3	Sept 2019	Costs associated with providing temporary accommodation for the homeless shall continue to rise	Increased cost.	<p>The strategy focuses on interventions to prevent and relieve homelessness.</p> <p>The strategy proposes the use of capital funds from s106 monies to support the development of additional temporary accommodation in the Borough</p>	C3	B3	Housing Manager	

<b>Risk Ref</b>	<b>Date</b>	<b>Risk</b>	<b>Consequences</b>	<b>Mitigation</b>	<b>Current Risk Score</b>	<b>Target Score</b>	<b>Service Unit Manager/ Responsible Officer</b>	<b>Action Plan</b>
4	Sept 2019	The Governments Flexible Homelessness Grant is short term and being used to underwrite the financial costs associated with this strategy.	Insufficient funding to cover cost should levels of funding end or reduce.	<p>The financial modelling for grant has ensured that available funding fully covers the period of this strategy and staffing costs up the end of 2022/23.</p> <p>Whilst there is no certainty going forward that funding shall continue to be available, given the level of priority to homelessness it is not envisaged at this time that funding shall cease post 2022/23.</p> <p>Should it do so the Council shall need to reassess its options at that time and either reduce the level of service provided or support services through growth.</p>	B3	A1	Housing Manager	
5	Sept 2019	NYCC reduces levels of funding to the Young Persons Pathway post 2021.	<p>In 2018/19 440 young people approached the Pathway in Scarborough for some form of assistance.</p> <p>The Pathway provides 54 units of supported accommodation within the Borough.</p> <p>Any reduction in service could have significant implications on outcomes for young people as well as increasing the pressure on statutory homelessness services.</p>	<p>NYCCs intentions are at this time unknown however it is important that officers and Members feed into any review process.</p> <p>Should levels of NYCC funding decrease post 2021 then the Council will need to look at options to mitigate impact, including the need to provide additional resources where required to sustain service delivery.</p>	D4	C3	Housing Manager	

<b>Risk Ref</b>	<b>Date</b>	<b>Risk</b>	<b>Consequences</b>	<b>Mitigation</b>	<b>Current Risk Score</b>	<b>Target Score</b>	<b>Service Unit Manager/ Responsible Officer</b>	<b>Action Plan</b>
6	Sept 2019	NYCC does not commit to provide necessary levels of revenue funding to pay for support costs associated with the provision of a women's refuge.	The refuge would not be developed	None. The responsibility to pay for support costs associated with a refuge sits with NYCC. Going forward this may become a statutory duty.	C4	n/a	n/a	
7	Sept 2019	The Council cannot find a development partner or secure the necessary capital funding to develop a refuge.	The refuge would not be developed	<p>A number of Registered Providers have already expressed an interest subject to the levels of funding, viability and support cost funding from NYCC.</p> <p>This report recommends that the Council undertakes a process to select an RP as development partner with a view to a further report to cabinet in 2020 to agree terms for any potential land sale.</p>	B3	A1	Housing Manager	

Risk	An event which may prevent the Council achieving its objectives
Consequences	The outcome if the risk materialised
Mitigation	The processes and procedures that are in place to reduce the risk
Current Risk Score	The likelihood and impact score with the current mitigation measures in place
Corporate Objectives	An assessment of the Corporate Objectives that are affected by the risk identified.
Target Risk Score	The likelihood and impact score that the Council is aiming to achieve
Service Unit Manager	The Service Unit or Officer responsible for managing the risk
Action Plan	The proposed actions to be implemented in order to reduce the risk to the target score

### Risk Scoring

£	5								

P	4					
	3	■				
	2	■	■			
	1	■	■	■		
		A	B	C	D	E
	Likelihood					

Likelihood:

A = Very Low

B = Not Likely

C = Likely

D = Very Likely

E = Almost Certain

Impact

1 = Low

2 = Minor

3 = Medium

4 = Major

5 = Disaster

