



East
Northamptonshire
Council

Finance Sub-Committee 6 February 2017

Homelessness Prevention Grant Funding

Purpose of report

This report updates members on the progress of the Homelessness Prevention Grants Panel and of its recommendations in respect of the funding for 2017/18.

1.0 Background

- 1.1 Policy and Resources Committee received a report on 9 January 2017 in respect of the Homelessness Prevention Grant funding for 2017/18, which had been set through the council's draft budget at £29,525. Bids totalling £48,994 had been received for the funding.
- 1.2 As a result of the level of bids received, together with increasing homelessness pressures in the district and impending legislation which will place additional homelessness burdens on the council, Policy and Resources Committee decided: 'That a Homelessness Prevention Grants Panel be appointed, comprising three members of the Policy and Resources Committee, to consider:
- The bids for 2017/18
 - The evidence of increasing homelessness and the implications of impending legislation in respect of future requirements for Homelessness Prevention Grant funding.'

2.0 Homelessness figures and costs

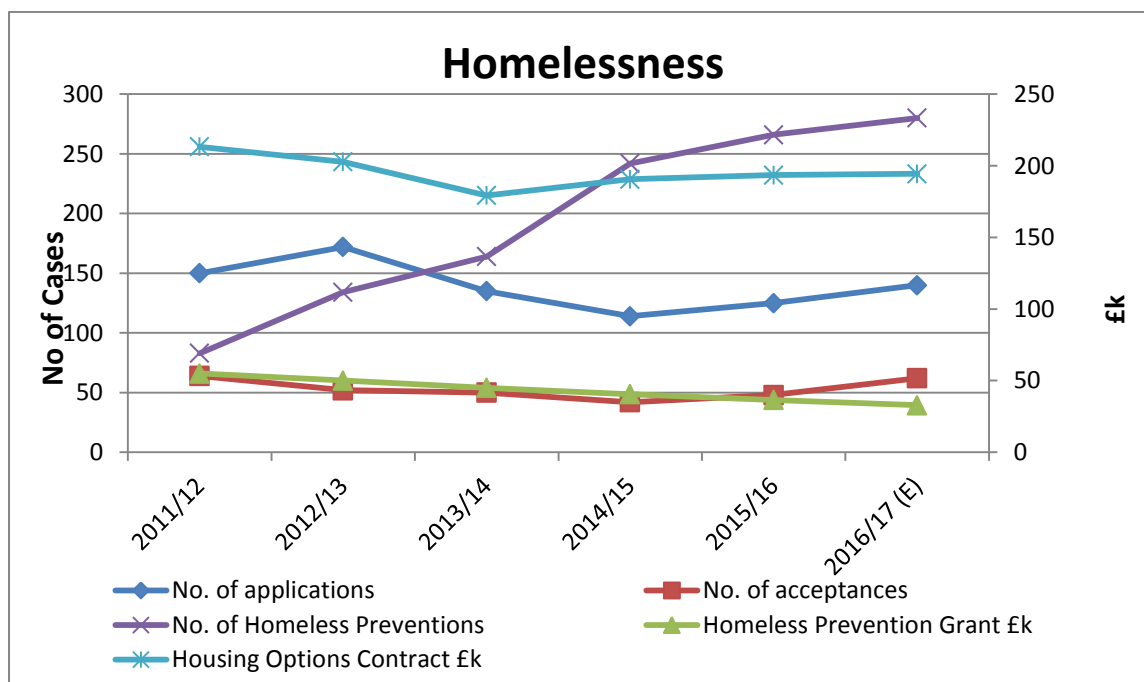
- 2.1 The Homelessness Prevention Grants Panel met on 23 January 2017 and received reports from the Housing Strategy and Delivery Manager with further detail in respect of the Homelessness Reduction Bill and of the increase in homelessness in the district.
- 2.2 The table at 2.3 and the graph at 2.5 show the number of homeless applications and acceptances for East Northamptonshire since 2011/12, and include estimated figures for 2016/17 based on figures available to date. They also detail the cost of the Housing Options Contract and the number of homelessness preventions undertaken through it, together with the level of Homelessness Prevention Grant funding allocated to organisations in the district.

2.3

Financial Year	No. of Homeless Applications	No. of Homeless Acceptances	No. of Homeless Preventions	Housing Options Contract £k	Homeless Prevention Grant £k
2011/12	150	64	83	213	55
2012/13	172	52	134	203	50
2013/14	135	50	164	179	45
2014/15	114	42	242	191	41
2015/16	125	48	266	193	37
2016/17 (E)	140	62	280	194	33

2.4 The graph shows that the number of applications and acceptances has remained fairly static over the years. However, the number of homelessness preventions has increased significantly even though the housing options contract has remained within RPI increases each year. It is the prevention work undertaken by the Housing Services and Housing Options Teams which has kept the homelessness applications and acceptances figures relatively static as a result of early intervention which prevents homelessness occurring. The budget for homelessness prevention grants has also been declining each year.

2.5



2.6 In addition, the homelessness prevention work undertaken by the Housing Services and Housing Options Teams, and by the projects supported through the Homelessness Prevention Grant budget, keeps the council's bed and breakfast costs at relatively modest levels, as can be seen in the table at 2.7. Without early intervention to prevent the need for temporary accommodation and without schemes such as Shoemaker Court, High Street South and the Night Shelter providing accommodation, bed and breakfast costs would be much higher.

2.7

Financial Year	Total cost £	DWP subsidy £	Cost to ENC £
2011/12	2,711	898	1,813
2012/13	7,964	3,678	4,286
2013/14	22,923	10,153	12,515
2014/15	17,291	6,460	10,801
2015/16	9,213	3,694	4,806

3.0 Consideration of Homelessness Prevention Grant Bids

3.1 The following bids had been received:

	£
Statutory services	
Severe Weather Emergency Protocol (SWEPP)	2,000
Grant bids	
Night shelter running costs	5,000
Night shelter support work	5,000
Recovery House	5,000
Foundations Project (new project)	5,000
High St South support work	11,247
Shoemaker Court support work	11,247
E-learning project (pre-tenancy education to prevent tenancy failure)	1,000
Homelessness support services (including mediation service)	3,500
Total	48,994

3.2 Following extensive discussion, Homelessness Prevention Grant Panel members were of the opinion that the majority of the bids should be supported. There were, however, concerns about

- The funding required for the Recovery House Project in view of the high level of Housing Benefit payments received, which members considered should be sufficient for the project to be self-financing
- The proposal for the new Foundations Project, both in terms of the potential cost to the council in housing benefit payments, and how the project would be managed.

3.3 The panel wished to receive further information about these projects before making a final decision on their funding, and also to visit all the existing projects to understand better the services provided. The panel will then meet again to make final recommendations to Policy and Resources Committee.

3.4 The panel considered that a further £14,469 should be allocated to the Homelessness Prevention Grant Fund, increasing the fund to £43,994 to enable funding to be allocated as appropriate. Any of this additional budget not subsequently allocated would be reported as an underspend.

3.5 Once the funding for this year has been allocated, the panel will consider the evidence of increasing homelessness and the implications of impending legislation in respect of future requirements for Homelessness Prevention Grant funding.

4.0 Equality and Diversity Implications

4.1 The allocation of the Homelessness Prevention Grant funding would have a positive impact in respect of social exclusion by preventing and alleviating homelessness. An Equality Impact Assessment will be included with the final recommendations of the Panel for the allocation of funding when they are submitted to the Policy and Resources Committee for approval.

5.0 Legal Implications

5.1 The council has a statutory duty under the housing and homelessness legislation to accommodate households found to be homeless and in priority need and to prevent homelessness where this is possible. Those homeless but not in priority need are due a lesser duty but the duty still includes the provision of advice and assistance to find accommodation. The council's duties will be increased when the Homelessness Reduction Bill becomes law.

5.2 Whilst there is no legal duty to provide grants to any organisation in the voluntary sector, the council is statutorily obliged to provide emergency accommodation under the Severe Weather Emergency Protocol when the temperature is forecast to fall below zero degrees Centigrade for 3 consecutive nights.

6.0 Risk Management

6.1 There is a risk that homelessness will increase in the district and that the council will have to pay the additional costs associated with the risk. The council's risk register includes RM PLN 014 – 'Increase in homelessness applications'. The risk score has recently increased to 6 in recognition of the increased homelessness pressures.

6.2 If funds to voluntary organisations are withdrawn or reduced, there is a risk that they will no longer be able to operate their services, or be able to provide the current levels of support to homeless households who often need assistance with budgeting, debt management, parenting skills, addiction counselling etc.

7.0 Resource and Financial Implications

7.1 Bids for the available HPG funding for 2017/18 exceed the £29,525 allowed for in the council's draft budget. The Homelessness Prevention Grants Panel recommend that the fund be increased in the council's 2017/18 budget by £14,469 to a total of £43,994. It is likely that the ongoing costs for managing homelessness prevention in the district will increase in future years. On that basis, quarterly homelessness monitoring reports will be provided to the P&R Committee to enable the consideration of realistic budgets for this area of work in future years.

7.2 Future increases in homelessness in the district and changes to legislation will continue to place additional pressures on available funding and may lead to additional costs to process the increased level of applications, together with increased temporary accommodation costs.

8.0 Constitutional Implications

8.1 There are no constitutional implications arising from the report.

9.0 Customer Service Implications

9.1 Any loss of funding to organisations providing accommodation and support to homeless and potentially homeless people could result in the closure of services which would have a detrimental impact on current and potential users. Any increase in homelessness applications will have an impact on the number of calls and visits to both the council's and the contractor's offices. The council will need to ensure that adequate services are provided to meet our statutory duties towards people who are experiencing, or are at risk of, homelessness.

10.0 Corporate Outcomes



10.1 The Homelessness Prevention Grant Fund contributes to the following corporate outcomes:

- Good Quality of Life – the grants provide assistance and services that help reduce homelessness in the district, together with consequent health and social problems associated with homelessness
- Good Value for Money – homelessness prevention saves the council money in the longer term by limiting the costs of temporary accommodation
- Effective Partnership Working – by working in partnership with RPs and voluntary organisations, the funding can be used to best effect and deliver better outcomes for homeless people and the community.

11.0 Recommendation

11.1 The Sub-Committee is requested to recommend to Policy and Resources Committee that provision is made within the MTFs to increase the Homelessness Prevention Grant budget by £14,469 to £43,994.

(Reason: To ensure appropriate allocation of funds to prevent homelessness and to meet our statutory duties)

Legal	Power: Localism Act 2011				
	Other considerations: Housing Act 1996 as amended by the Homelessness Act 2002 and the Homelessness Code of Guidance				
Background Papers:	Policy and Resources Committee 9 January 2017 Item 6				
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Date: 24th January 2017					
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