

**THE EXECUTIVE**

**11 MAY 2004**

**REPORT OF THE DIRECTOR OF HOUSING AND HEALTH**

<b>HOMELESSNESS: ACHIEVING THE BED AND BREAKFAST TARGET AND DEVELOPING THE TEMPORARY ACCOMMODATION SERVICE</b>	<b>FOR DECISION</b>	
<p><i>This report shows progress made in the delivery of the Council's statutory responsibilities to homeless people for temporary accommodation</i></p> <p><b><u>Summary</u></b></p> <p>This report advises the Executive of the achievement of the Government's target for bed and breakfast placements for homeless families and refers to the letter received from Lord Rooker congratulating the Council on meeting the target ahead of schedule.</p> <p>The report updates the Executive on the take up of Private Sector Leased (PSL) properties and the contribution made by this provision to improving the quality of temporary accommodation options for people for whom the Council has a statutory obligation. This measure has helped ensure that the achievement of the B and B target is sustained and that the costs of temporary accommodation to the Council can be minimised. Details are also given of the improvement in the financial position on temporary accommodation costs.</p> <p>The progress made on managing the housing related issues of the Government decision to grant Indefinite Leave to Remain (ILR) to a number of asylum seeker families living in the UK for more than 3 years, is reported.</p> <p>It is intended to bring a further report to the Executive on the continued development of the PSL source of accommodation to meet a wider range of housing needs.</p> <p><b><u>Recommendations</u></b></p> <p>The Executive is asked to agree to commit to reduce the usage of bed and breakfast placements for single persons, noting current take up of Private Sector Leased properties as well as the potential for further development of this provision.</p> <p><b><u>Reason</u></b></p> <p>Whilst the BandB statutory target has been achieved, reducing such placements for single persons will be beneficial for those people, the Council and Council Tax payers.</p>		
<b>Contact:</b> Ken Jones	Head of Housing Strategic Development	Tel: 020 8227 5703 Fax: 020 8227 5595 Minicom : 020 8227 5755 E-mail: <a href="mailto:ken.jones@lbbd.gov.uk">ken.jones@lbbd.gov.uk</a>

## 1. **Background**

- 1.1 The Homelessness (Suitability of Accommodation) (England) Order 2003 issued by the Secretary of State requires that there be no further use of bed and breakfast (BandB) accommodation for families with children, or where a member of the household is pregnant, for any period in excess of 6 weeks. This Order was effective from 1 April 2004.

Lord Rooker, Minister of State at the ODPM, has written to the Chief Executive to congratulate the Council on reaching the BandB target ahead of schedule (Appendix A).

- 1.2 The Executive agreed on 12 August 2003 to raise the number of PSL properties to be procured by 150 to a total of 250. Delegated authority was also given to the Director of Housing and Health to procure additional accommodation above 250 with regular update reports to the Executive. At present the number in use is 210 and this has meant that the Council has been able to achieve the BandB target. Important outcomes from this are:

- greater stability for families because they remain for much longer periods in the same property
- better quality of temporary accommodation for families who become homeless
- due to Housing Benefit rules, all costs related to PSLs are recoverable (dependent upon the individual circumstances) so that the costs to the Council are eliminated.

- 1.3 The Council in partnership with Look Ahead Housing and Care has 2 schemes in development for homeless people at Bevan Avenue and Ravensfield Close which will provide 71 units.

- 1.4 The Government granted a national moratorium to a number of asylum seeker families with children resident in the UK from before October 2000. On granting Indefinite Leave to Remain (ILR) the responsibility for any homelessness approaches and housing costs falls to the local Housing Authority. The Council has made representations to ALG and the Home Office has been lobbied on this matter.

The ALG has produced a protocol which unequivocally puts responsibility for all housing issues with the authority that placed the family – even where this is within another borough / district. This is particularly welcome for Barking and Dagenham. It should be noted, however, that this protocol cannot supercede statutory rights of individuals in terms of homelessness responsibilities.

There are 310 families for whom the Council may have responsibility in the event that their landlords terminate their tenancies – these are people who have lived in Barking and Dagenham for more than 3 years. There are a further 90 families who were placed outside the borough.

## 2. Achievement of the BandB target

2.1 The Council achieved the target as indicated in 1.1 in February 2004. There is continued use made of BandB for single persons, though this is a last resort temporary accommodation solution.

2.2 The following shows the placements for homeless people for whom the Council has a statutory responsibility as at 1 March 2004:-

Hostel (Boundary Rd)	- 30
Private Sector Leased (PSL) properties	- 210
Bed and breakfast (BandB) – (single people)	- 52
Non secure Council tenancies	- 448

2.3 In Lord Rooker's letter he looks forward to Barking and Dagenham developing its Homelessness Strategy in the areas of prevention, tackling repeat homelessness and extending housing options. These are all issues prominent in Barking and Dagenham's Homelessness Strategy and are being addressed in terms of delivery.

## 3. Progress report and financial position on temporary accommodation

3.1 It can be seen from the table below that the service has experienced high growth throughout the past 3 years. A further consequence of reducing the level of BandB placements and exercising tighter management control of temporary accommodation has been that the financial position of this responsive service has improved. Attention has been focused on recovering costs through the Housing Benefit (HB) system and collection of charges not eligible for HB. The substantial improvement has been brought about by strong monitoring and management arrangements put in place during the second half of 2003/04 by the Accommodation Resettlement and Finance teams in Housing and Health and Revenue Services.

The figures shown for 2003/04 are based on forecasts and can be contained within the Housing General Fund budget, although there is no budget for temporary accommodation costs. It is anticipated that these measures and change from BandB should result in further improvement in 2004/05

Financial Year	2001/02	2002/03	2003/04
Bed and Breakfast	117,255	664,076	888,107
Private Sector Leasing		38,846	1,908,899
<b>Total Expenditure</b>	<b>117,255</b>	<b>702,922</b>	<b>2,797,006</b>
Less Income (BandB)		(252,985)	432,359
Income (PSL)		(85,497)	2,263,744
<b>Net Expenditure</b>	<b>117,255</b>	<b>364,440</b>	<b>100,903</b>

3.2 In relation to the potentially up to 400 families who may be granted ILR, close working relations have been developed between the Private Sector Housing team, Accommodation Resettlement (both within Housing Strategy) and the Accommodation Team of the Asylum Seeker Unit (ASU). This has proved to be effective in securing the objective of maintaining families in their private sector rented properties and to minimise / eliminate any financial obligation on the Council. This is being secured by negotiations with the landlords to:-

- accept Housing Benefit rent levels or, failing this
- convert the letting to a PSL arrangement

From the ILR determinations that have come through to date the indications are that the approach set out is proving to be very effective.

#### **4. Proposal and justification**

4.1 The procurement of PSL properties to the present level has been successful in responding to the increase in demand from families to date – 56% rise in 2002/03. It is likely that the trend will continue, though at a lower rate of increase, therefore, the need to expand this provision remains. In addition, as can be seen from the figures in para 2.2 there are over 50 single persons in BandB. This is generally an inferior option and is more expensive for the Council. To address this it is proposed to seek to access private sector properties that can be satisfactorily used as Homes in Multiple Occupation. In such cases inspections by Council staff are carried out to ensure standards are complied with.

4.2 It is intended to bring a further report to the Executive within 3 months to address the development of PSL to encompass the housing needs of

- homeless single people and families – to include the permanent discharge of homelessness responsibilities
- keyworkers
- the residual number of asylum seekers (other than unaccompanied children) who are the responsibility of the Council.

This report will also deal with management and procurement of the PSL properties, which is likely to involve one of the Council's RSL partners.

#### **Background papers used in the preparation of this report:**

- Executive report 12 August 2003 – Homelessness Strategy (Minute 74)
- Executive report 26 November 2002 - Private Sector Leasing Scheme - Homelessness Accommodation (Minute 231)
- Letter from Lord Rooker to Chief Executive 25 February 2004.



Office of the  
Deputy Prime Minister

Creating sustainable communities

**Jeff Rooker**  
**Minister for Regeneration and  
Regional Development**

Mr G Farrant  
Chief Executive  
London Borough of Barking & Dagenham

OFFICE OF THE  
DEPUTY PRIME MINISTER

26 Whitehall  
London SW1A 2WH

Tel: 020 7944 3012  
Fax: 020 7944 4489  
E-Mail: [jeff.rooker@odpm.gsi.gov.uk](mailto:jeff.rooker@odpm.gsi.gov.uk)

Web site: [www.odpm.gov.uk](http://www.odpm.gov.uk)

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#### **Homelessness - B&B reduction target**

In March 2002, the Government set a challenging target for all local housing authorities to end the use of B&B hotels for longer than six weeks for homeless families with children by March 2004. The target was set in recognition of the damaging impact on children forced to spend long periods in B&B hotels, and was widely welcomed and supported. It was backed up by: improvements to Housing Benefit subsidies; specific funding from the Office of the Deputy Prime Minister to support homelessness prevention and B&B reduction action plans; and a structured series of seminars and master-classes organised by the ODPM Homelessness & Housing Support Directorate, Beacon Authorities and our team of specialist practitioners.

Your authority is one of many reporting the end of long-term use of B&B for families with children well ahead of the target date. I wish to commend you for both your work and evident achievement in reducing the use of this least acceptable (and most expensive) form of temporary accommodation. I congratulate you on your successful use of both central and local funding for such a positive outcome and importantly encourage you to secure the ongoing sustainment of this achievement.

I wrote to all housing authorities in November about the Government's intention to make an Order (under s.210 of the 1996 Housing Act) to give the target a firm statutory basis. Following consultation, that Order was laid in December and copies were sent to all housing authorities together with associated statutory guidance to which they must have regard in law. The Order will come into force on 1 April 2004.

It will underpin the excellent achievements of most housing authorities who like your own, have put themselves on track to sustain success beyond 31<sup>st</sup> March 2004.

The fact that you are already ahead of the field in this respect, seems to me, to give you a special opportunity to develop your homelessness strategy and areas of excellence in: homelessness prevention; ending the cycle of repeat homelessness; and extending the housing options open to all who live in your authority's area. Now you are no longer using the most expensive housing option, you also have an opportunity to develop "Spend to Save" programmes which will simultaneously reduce the burden on your General Fund and sustain proactive work at the front line.

My Homelessness and Housing Support Directorate and the Government Regional Office look forward to hearing of your achievements in implementing your homelessness strategy.

**JEFF ROOKER**