

## **Matt Sanders presentation to SEEC 15 February 2011**

### **Introduction**

Shelter - the housing and homelessness charity.

We have two roles to play.

Provide services throughout the UK, helping over 170,000 people every year. Deliver advice – face to face, but also over our free helpline and online.

Not just housing –also debt, welfare and benefits. Early advice on these issues is one of the most cost effective ways of keeping people in their home and preventing homelessness.

Also campaign for change and speak up for our clients at a national level.

In the South East we have services in Dover, Ashford, Chatham, West Sussex, Thames Valley, Milton Keynes and Hart.

Member of the South East Homelessness Forum, established in 2007 to bring together individuals from all sectors who are interested in tackling homelessness.

Strategic co-operation between local authorities, central government, landlords in the private rented sector, third sector service providers and housing associations critical over coming years. Forum is a place to have that discussion – every local authority invited to its meetings.

If you want more information, contact Peter Rush at Hampshire County Council – Peter is here today.

### **Homelessness**

Today I'm covering homelessness and housing for the most vulnerable – where we are now; where we are heading, and what local councils can do about it.

Shelter very concerned about many of the government's proposals and lobbying to improve bills before parliament at the moment.

However, today want to focus on practical steps that councils can be taking right now to mitigate further impact further down the line.

Homelessness does not begin and end with rough sleeping. Rough sleeping is public face of homelessness – and often the end point in a long spiral after someone has lost their home.

Difficult it is to estimate how many people are homeless.

Most recent CLG estimate of rough sleepers in England was 2010, which showed 1247 people. This was new way of counting. It doesn't give us any idea of trend.

Statistics compiled by outreach workers in London show 20% increase in rough sleeping between the second and third quarters of 2010.

Number of people accepted by local authorities as homeless and in priority need has also begun to rise, from 10,300 in 2009 to 11,800 in 2010.

Shelter's advice services have seen big jump in demand for general advice on homelessness issues, including requests for making homeless applications and appealing decisions. The Citizen's Advice Bureau also reported a 14% increase at the end of the previous year.

Repossessions are also at the highest levels since the mid-1990s – with interest rates expected to increase again very soon.

### **Welfare Reform and Localism Bills**

Against this backdrop the government are embarking upon the most radical reform of social housing in a generation.

The Localism Bill is a housing bill in all but name.

Local councils will have the power to offer fixed term tenancies to new tenants.

Local councils will also be able to discharge their homelessness duty into the private rented sector.

Legislation coming from the Department for Work and Pensions will also have a dramatic impact on the housing sector.

Independent research Shelter has commissioned from Cambridge Centre for Housing Policy and Research found that changes to Local Housing Allowance will place up to 269,000 households in serious financial difficulty. Half of those households – up to 134,000 will have to move or be evicted. 72,000 of these are families.

Cambridge have estimated that up to 35,000 households will approach their local authority for homelessness advice and assistance, and local authorities will be under a duty to provide temporary accommodation to 19,000.

Legal Aid Bill will massively reduce the amount of legal support and advice that is available. Government has said that – if you are facing imminent homelessness – legal support will still be available. But the advice that often stops people getting to the brink – on debt, welfare and benefits – will be hugely restricted, and Housing Options departments will bear the brunt.

### **Welfare Reform - what can councils do?**

Good news is there are things councils can, and should, do.

Firstly, talk to housing benefits department. Government have made more money available for discretionary housing payments – but housing benefit departments

sometimes tend to sit on the money. Housing options will need to be pro-active and strategic: consider in advance how best to spend the money.

Secondly, talk to private landlords and persuade them to drop their rents to the new LHA levels.

Make it clear there is something in it for them – landlords that drop rents can receive benefit payments directly.

Work with other services to identify those most at risk, and target your communications at the households that will be effected. For more guidance on practical working in preparation for the new LHA levels, I would strongly recommend the **National Homelessness Advice Service** report, which you can find online.

In worst case scenarios, be very clear how you will deal with those who find themselves homeless as a result of the changes. Shelter strongly rejects the view that households who fall into rent arrears because of shortfalls caused by cuts in their Local Housing Allowance are intentionally homeless.

The statutory definition of homelessness makes it clear that people can only be considered intentionally homeless if **they** deliberately do or fail to do something which causes them to become homeless from accommodation which it is reasonable for them to occupy. Where their accommodation has become unaffordable because of housing benefit cuts, they have not 'deliberately' failed to pay the rent. It is no longer reasonable for them to remain in that accommodation if they can no longer pay the rent because of circumstances outside their control.

If they are subsequently evicted for rent arrears, they cannot possibly be considered intentionally homeless.

This position is backed up by the courts.

“As a matter of common sense, it cannot be reasonable for a person to continue to occupy accommodation when they can no longer discharge their financial obligations in relation to that accommodation, i.e., **pay the rent and make mortgage repayments, without so straining their resources as to deprive themselves of the ordinary necessities of life**, such as food, clothing, heat, transport and so forth.” (Mr Justice Kennedy in R v Hillingdon BC ex parte Tinn (1988) 20 HLR 305, QBD )

“The purpose of [the Act] is to house the homeless. Admittedly, it is not part of that purpose to house those whose homelessness has been brought upon them by their own fault. But equally it is no part of it to refuse housing to those whose homelessness has been brought on them without fault on their part, for example, by disability, sickness, poverty or **even a simple inability to make ends meet.**” (Lord Justice Nourse in R v LB Wandsworth ex parte Hawthorne (1994) 27 HLR 59, CA)

## **Social Housing Reform - what can councils do?**

Maintain security of tenure.

People need homes, not just housing. Very concerned about future tenants facing a lifetime of insecure housing.

Social housing landlords should be very concerned about the implications of more prosperous, tenants being moved on, and the impact that has on estates.

There is also the risk that ongoing reviews will be costly, and open to legal challenge.

Very few units will be freed up, and not for many years.

There is a strong need for strategic thinking when setting new tenancy strategies. What policies will your local housing associations pursue? What about neighbouring boroughs?

If a housing association is offering people two years security on 80% rent, against a different/better council offer, will people opt to remain on the council waiting list?

Real impact of both this, and the changes to homelessness duty, demonstrate the need for a strong private rented sector.

### **Private rented sector**

All roads lead to the PRS.

Unfortunately, for the most vulnerable who will be effected, all roads lead to the bottom of the PRS.

Many landlords are excellent. However, we all know that some operate in ways that are unacceptable.

44% of all households living in the private rented sector are living in non-decent homes, compared to 26% in the social rented sector. Tenant satisfaction is much lower than in other tenures.

There is a real danger that people will be placed in the PRS, only to find themselves homeless again a year later and back on the doorstep of their local council.

This could be extremely costly for tax payers.

The challenge of a more transient population, constantly moving around, should concern every local authority department. Churn has long been a challenge in London. In safe guarding and child protection – a detailed study of serious case reviews recently found that 45% of families were highly mobile.

If the most vulnerable families are going to be less fixed, moving more frequently, often across council boundaries, that has significant implications for the way we deliver services.

Critical to have a strong relationship with local landlords.

Some councils have looked at negotiating longer term tenancies for families with children.

Many councils in the South East already run landlord accreditation schemes

Shelter believes that landlord accreditation is an effective way of improving the skills landlords have to provide a good service to tenants, while at the same time educating tenants about the standards and the management they should expect. We believe that both developing landlords' skills and empowering tenants will lead to a better functioning private rented sector that avoids the economic and social costs of tenancy problems, tenancy breakdown and homelessness.

If you are running an accreditation scheme it means that you could choose to place tenants only with those landlords who are a member. Will encourage others to sign up.

### **Community insights**

Supply.

All issues come back to fact there is not enough housing in South East to go around.

Shelter understands that targets, and house building in the South East, can be extremely controversial.

We have developed the community insights project to help councils build the new homes they need.

It's a unique piece of research that uses *Acorn Insite* – a tool that categorises different demographic groups.

We have identified housing attitudes and aspirations of each target group.

Can tell you likelihood of people in a particular area to support or oppose house building, and why they feel this way.

Draws on surveys undertaken by the National Housing and Planning Advice Unit, as well as new research by YouGov into individual Acorn user groups.

We have identified communication channels each group prefers and can recommend the style and tone of communication best capable of engaging each group.

Will be completely free to local authorities and accessed through the professional resources section of Shelter's website.

We hope you will find it useful, and we hope it will help you build the new homes you need.

### **Conclusion**

Huge challenges for local authorities over coming years, and Shelter appreciates the very difficult situation councils are facing.

Those local authorities that are confronting the challenges now will be best placed to mitigate the full impact of the changes that are coming.

Private rented sector has been neglected for a very long time, but can't be anymore.

Engage with local landlords, help them all to operate like the best landlords, and work to introduce security and high standards right across the private rented sector.

In the long term, please work with Shelter to build the strong housing safety net we all need.