

REVIEW OF TEMPORARY ACCOMMODATION PROVISION:

Appendix 3 - STRATEGIC OUTLINE BUSINESS CASE

Growth Board: 22 June 2021

DRAFT


DOCUMENT INFORMATION

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DOCUMENT APPROVALS

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RELATED DOCUMENTS

Name	Approval	Date
Temporary Accommodation in Hertfordshire Summary Paper <i>(embedded below)</i>	Corridor Boards – Southern & Northern	24 May 2021
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1. EXECUTIVE SUMMARY AND RECOMMENDATIONS

1.1 Purpose

This Strategic Outline Business Case (SOC) sets out the strategic and business justifications for implementing a programme of work, situated within the oversight of the Growth Board's Housing Delivery Programme, that investigates the options available to local authorities in Hertfordshire to better meet the housing need for people living in Temporary Accommodation (TA), whilst achieving quality and value for money.

1.2 The need for investment

The demand for TA in Hertfordshire has doubled over the last ten years, and the enduring impact of Covid-19 will add significant new demand, as initiatives to reduce rough sleeping and eviction are scaled back and the private rental sector becomes even less accessible or affordable. Whilst responsibility for TA provision and management sits with each authority within Hertfordshire, the scale of future response is limited by the capacity of each. There is, therefore, opportunity to build on existing collaboration and partnership working to realise significantly improved outcomes and efficiencies, not achievable as individual authorities.

1.3 Business case

The case for adopting a coordinated and innovative response for the supply and management of TA, as required of each Hertfordshire authority, can be developed in four ways:

Strategic: Delivering flexible, scalable accommodation solutions and *whole-system* outcomes;

Commercial: Jointly procuring and commissioning accommodation and support services;

Financial: Pooling expertise and resources to maximise funding and sustain services;

Management: Supporting the statutory responsibilities of each authority, by better aligning policies, access pathways and working practice to deliver best value.

1.4 Approach to delivery

Through the leadership provided by the Growth Board, a managed programme of work can deliver a focussed review of TA provision, enabling the development of options, improving the wellbeing of those most in need and delivering sustainable solutions for all stakeholders.

1.5 Recommendations

- 1.5.1 Approval to proceed with the development of an Outline Business Case (OBC), to develop a coordinated, county-wide framework to improve outcomes and life chances for households who are homeless and secure sustainable improvements in accommodation arrangements;
- 1.5.2 Delegate oversight of the Outline Business Case development to the Chief Executive lead for the Homes & Communities strand of the Growth Board work;
- 1.5.3 Approval for the established Temporary Accommodation Steering Group, under the remit of the Homes & Communities Group, to be the primary delivery mechanism of the programme, ensuring effective representation from Districts, Boroughs and County Council;
- 1.5.4 To note the tactical and operational options for change identified, that officers will review and take forward (Appendix 6).

2. THE NEED FOR INVESTMENT

The case for making an investment in a coordinated set of TA solutions and management processes is made through a combination of increasing demand and complexity of needs from those presenting as homeless, and the responsiveness and sustainability of the current model, delivered independently by each authority, in meeting those needs. A detailed review of current TA provision in Hertfordshire is presented in Appendix 1.

2.1 Facing-up to a new reality

TA is offered to households who seek help from their council as they are homeless, eligible for help and owed 'a rehousing duty.' In Hertfordshire, there are currently 1194 households living in TA¹; in December 2011, the number was 481 households.

The household composition of those living in temporary accommodation in Hertfordshire reflects regional and national patterns, however there are significantly fewer households with children (46% compared with the national figure of 63%), whilst there are significantly more single adult males (32% compared with the national figure of 19%).

There is evidence of increasing complexity of need amongst households presenting as homelessness and the delayed impact of Covid-19 will undoubtedly drive additional demand from families presenting as homeless. Specifically, through a significant rise in unemployment, a rise in rent and mortgage payments, and in evictions now the temporary ban has been lifted. There is already evidence of increased levels of domestic abuse and more people experiencing mental health problems. These factors, especially when the Domestic Abuse Bill comes into operation, are likely to increase homelessness for families and single people, reversing the stable family numbers in TA seen since 2017.

The emerging risk is that the financial costs of delivering homelessness services for significantly more households will increase the cost of temporary accommodation, placing councils at the risk of budget overspends.

2.2 Rethinking the model

In 2019/20, Hertfordshire councils spent £5,695k² on TA provision, returning £4,870k of income, with a resultant net current expenditure of £825k. Homelessness administration and prevention work by the districts and HCC resulted in an additional £9,002k net current expenditure (see breakdown in Appendix 2).

Whilst Hertfordshire authorities make significantly more use of their own stock for TA compared to the national and regional averages, greater use is made of B&B and hostel accommodation than the national average. An increase in B&B and other expensive nightly paid accommodation in response to increased demand could lead to a rapid rise in costs. It may not therefore be an exaggeration to state that without applying new thinking about the way TA is delivered across Hertfordshire, homelessness provision could become a significant drain on the resources of some councils, as has already happened elsewhere.

However, the Covid crisis is focusing the minds of all stakeholders. District Councils, core service commissioners within the County Council and service providers all recognise the need for opening-up strategic service partnerships that create a whole system approach, delivering wider and lasting outcomes at reduced costs.

3. STRATEGIC CASE

3.1 Strategic vision



¹ MCHLG dataset (Q3, 2020/21)

² 2019/20 - RO4 (10 districts & HCC)

To maximise the options available to local authorities in Hertfordshire to better meet their individual statutory obligations, and the housing needs for people living in temporary accommodation, whilst achieving quality and value for money across the whole system.

3.2 A whole system approach

The provision of high-quality TA is a critical element of a sustainable housing solution that benefits the whole system supporting those most in need in Hertfordshire:

- Using early intervention and prevention strategies to keep households away from the point of crisis and the need to access TA solutions;
- Providing tailored packages of a suitable turnaround space and personalised support to enable households to stabilise their situation before taking the next step forward;
- Ending reliance on poor quality or unsuitable accommodation solutions that fail to promote wellbeing and further jeopardise life chances;
- Ensuring tenancy sustainment strategies prevent repeat homelessness;
- Working with commissioners to create specialist reabling solutions that provide homes and support for people leaving hospital, care or prison to re-establish their lives.

3.3 Best-in-class exemplars

In seeking to create an exemplar model for the delivery and management of TA, Hertfordshire can reference successful approaches already delivering benefits in other council areas. Four examples are provided in Appendix 3, these are:

- The *Capital Letters* partnership developed by 20 London Boroughs to manage the sourcing and management of TA and private rented accommodation in collaboration;
- The delivery and management of homes in Enfield through *Housing Gateway*; and the offsite construction of *modular homes* for use as TA in Lewisham;
- An *Accommodation Pathway* model developed by Broadland and South Norfolk Councils.

3.4 Expected outcomes

The local delivery of TA means that an effective, joined-up approach is likely to be highly beneficial in providing a better service to homeless households and in terms of achieving efficiencies for the councils. A coordinated framework is expected to deliver:

- Improved outcomes and life chances for households who are temporarily homeless;
- Accommodation provided meets the standards as defined in the guidance;
- Increased return on financial investment in provision of temporary accommodation.
- Reduced reliance on bed and breakfast, hotel or similar private sector accommodation;
- Consistent planning of TA in response to modelled local demand and needs;
- Effective use of publicly owned land and assets to support delivery of homes;
- Maximised opportunities for sharing expertise and learning from good practice through a whole system collaborative approach.

4. COMMERCIAL CASE

This paper is not proposing final recommendations, however the following provided insight into early thinking and options to be explored in the subsequent Outline Business Case, if approved.

4.1 Market drivers

The focus for TA and its procurement could benefit from procuring more quality short-term 'quick turnover' type temporary accommodation, to accommodate applicants in priority need and owed the relief of homelessness duty, whilst they wait in TA for an accommodation solution, whether in social housing or a private rented offer of a minimum 6-month period. The number of households owed the main homelessness duty and therefore likely to require longer term TA has fallen nationally, a trend replicated in Hertfordshire.

The Homelessness Reduction Act (HRA) has altered the 'balance' between the need for short-term emergency accommodation and longer-term TA need. More short-term TA units are required, and fewer long-term units are needed, however, the majority of single people accommodated will have significant and complex needs that require other services.

4.2 Joint procurement and commissioning

A joint approach to procurement and commissioning would build shared capacity across the county which is not sustainable within a single authority. Such a strategy could work efficiently across the county and be big enough to establish an effective brand and a good reputation with private sector landlords, especially if this is supported by consistent landlord and tenant liaison work and provision of necessary resettlement support:

- Joint procurement of nightly paid accommodation, leased accommodation to use as TA, and PRS accommodation to end a homelessness prevention, relief or main duty;
- An emergency TA support system whereby an authority in need of emergency TA with no other options can request help from a neighbouring authority;
- Procurement of accommodation for Children's Services, reducing the need for social workers to try to find accommodation for clients;
- Joint commissioning (with Health) of 'step down' accommodation would support homeless people with continued recovery needs leaving hospital;
- Providing accommodation for victims of domestic abuse, and similarly ex-offenders, away from home districts;

4.3 Social lettings agency

Consideration could be given to delivering a county-wide approach to the sourcing of private rented property to discharge duty and therefore reduce the need for TA through a Social Lettings Agency or similar joint arrangement. Coordinating the acquisition of PRS properties through one team will increase the number of properties acquired to discharge duty.

4.4 TA Self-sufficiency

Ultimately, an objective to become self-sufficient in TA across all authorities through new build and purchase schemes, based on mapping the gaps in authority owned emergency and longer-term TA for families and single people, could substantially lower the costs of TA for each authority in the medium to longer term. This could be achieved by setting up a jointly owned company to acquire and manage properties following the example of Capital Letters.

5. FINANCIAL CASE

The programme of work proposed by this SOC is unlikely to reduce the total costs incurred by temporary accommodation in the short or medium term, if homelessness demand rises as expected. However, through further investigation and design of the options, there is opportunity for rationalisation of the county's current spend on temporary accommodation provision, as well as an improved customer experience associated, by adopting a more collaborative approach and working model.

The priority of the financial case will be to ensure the sustainability of TA provision addressing the high net cost of nightly paid (£370k), and bed-and-breakfast (£733k) accommodation, re-sourcing and managing that provision as cost effectively as possible. Additionally, working within a whole-system approach of maximising housing options, homelessness prevention and tenancy sustainment.

5.1 Hertfordshire TA Financial Model

A robust financial model is required to underpin any form of joint TA procurement strategy and to support all parties' procurement decisions in respect of the type of temporary accommodation that would enable each council to meet their legal duties and to deliver TA at the lowest possible cost. Examples of what this type of model could be used to assess, and deliver are:

- A Hertfordshire-wide *Procurement Strategy* for TA including cost benefit analysis for all the TA used and potential TA that could be used;
- An agreed maximum rate for each of type of TA provided. This approach has been successful in reducing prices paid in London, and a similar approach could be adopted;
- A Hertfordshire-wide out-of-hours emergency assessment and TA placement service, which would improve consistency of approach and reduce costs;
- A Hertfordshire-wide emergency accommodation call-off contract to reduce costs and improve standards;
- Delivering TA through joint commissioning, Hertfordshire-wide, or through individual partnerships between groups of councils that wish to develop specific schemes;
- A TA rent setting framework to ensure that for each type of TA used by each district the maximum DWP subsidy allowed is being claimed;
- A system to maximize grant funding from Government for TA initiatives including joint bids.

5.2 Outline Business Case

In describing options for change through an *Outline Business Case*, clear financial benefits and disbenefits will be included to enable a clear strategic choice to be made as to the efficacy of a collaborative approach to the supply of temporary accommodation that more closely meets the needs of households.

The appraisal of options for change will include a legal assessment of the implication of recommendations made (See Appendix 4 for the legal framework that governs TA).

6. MANAGEMENT CASE

There is a strong management case for adopting a shared approach to TA management, with common policies, protocols and pathways that support those most in need across the county, underpinned by the consistent and efficient application of shared standards, supply and demand modelling, and the oversight of statutory compliance and reporting. This would build upon existing joint working, such as the Hertfordshire Accommodation Cell set-up in response to Covid, the Joint Housing Protocol to support young homeless and care leavers, and a rough-sleeper tracker and health assessment framework (see Appendix 5 for details).

6.1 Common policies, support protocols and pathways

An example framework for managing TA across Hertfordshire could include:

- An *Out-of-Area Placement Policy* with agreed criteria for in-district and out-of-district TA placements including time periods, support and notification arrangements (including agreed processes to maintain links to Children's and Adult Services, where applicable);
- Utilisation of existing work to ensure availability of safe TA for victims of domestic abuse who have to leave their accommodation;
- Utilisation of existing collaborative work to understand the needs of people with vulnerable and complex needs, ensuring the right type of TA is provided to meet needs;
- TA that supports the Joint Protocols for Children & Young People developed by the County Council with the districts/Boroughs;
- Specific TA and support for the most vulnerable groups, delivered through a *Housing First* approach and move-on accommodation for former rough sleepers.

6.2 Common standards

Another benefit of a joint approach to temporary accommodation would be the development of common minimum standards of accommodation, and potentially a joint approach to inspection, perhaps along the lines of the latest 'Setting the Standard' work in London.

A common set of standards applicable to each type of TA procured could be developed, as could a *TA Operations Manual*, with shared operational TA processes and procedures including charging policy and evictions, templated standard letters, and model licences.

6.3 Robust demand and supply modelling

A *TA Monitoring and Control Model* would enable authorities to improve the monitoring and control and throughput of cases in TA, identifying 'blocked' cases. Similarly, a *TA Predictive Model* would help authorities set targets month by month for managing or reducing TA numbers. The model would aim to better control demand (into TA) and supply (out of TA) and be able to be used as a 'live performance tool' by Councils.

6.4 Compliant performance management

A performance framework for TA would help drive-up standards and benchmarked performance, beyond the data that is available from the Government's national reporting data scheme.

7. NEXT STEPS

7.1 Approval to proceed

The Growth Board are requested to approve this Strategic Outline Business Case and recommendations set out below:

- 7.1.1 Approval to proceed with the development of an Outline Business Case (OBC), to develop a coordinated, county-wide framework to improve outcomes and life chances for households who are temporarily homeless and secure sustainable, long term improvements in accommodation arrangements;

- 7.1.2 Delegate oversight of the Outline Business Case development to the Chief Executive lead for the Homes & Communities strand of the Growth Board work;
- 7.1.3 Approval for the established Temporary Accommodation Steering Group, under the remit of the Homes & Communities Group, to be the primary delivery mechanism of the programme, ensuring that the group has effective representation from Districts and Boroughs;
- 7.1.4 To note the tactical and operational options for change identified, that officers will review and take forward.

7.2 Options appraisal structure

If approval is secured, a detailed options appraisal will be undertaken to develop a recommendation for change in how the provision of temporary accommodation is managed and delivered across Hertfordshire. It is anticipated that the recommendations will be brought-forward for decision by end September 2021.

7.3 Governance arrangement

A cross organisational steering group was established last year in order to develop the SOC for the temporary accommodation programme. The group is comprised of a team of district and county colleagues with complementary professional, technical and specialist skills in order to progress the identified programme of work.

This SOC is formally requesting agreement to approve this steering group as the primary delivery mechanism of the programme.

During the options development phase EQIA and implications relating to use of personal data, along with sustainability and climate change will be assessed.

Demand Analysis

In December of 2020, over a quarter of a million (253,620) people were living in temporary accommodation in England, or 95,615 households (MHCLG, 2021). This equates to an estimated 1 in 220 people being homeless and living in temporary accommodation. This number is the highest it's ever been. Whilst a significant factor in this increasing trend is the Covid-19 pandemic and the subsequent 'Everyone in' initiative, described in later sections of this document, there has still been a year-on-year increase in demand for TA over the last decade, from December 2011 (48,920).

However, it should be noted that from the end of March 2017 to the end of December 2020 the number of families in TA has been stable. This means that the overall rise in TA since the end of March 2017 is entirely driven by single person households and other non-family household types.

As may be expected, homelessness is most prevalent in London, with 68% of homeless people living in temporary accommodation living in the capital. However, likely caused by several factors there are local hotspots and increasing trends.

In the East of England, there are over 15,000 homeless people currently living in temporary accommodation, or 6,555 households. This marks a 5-year increase of around 70%. In Hertfordshire, there are over 1194 households living in temporary accommodation, which is 18% of the region's total figure. A breakdown of the data by district is provided below:

Households in Temporary Accommodation by District/Borough & Relative %		
District	Households in TA in 2020/21 Q3	Relative % of County Total
Broxbourne	245	20%
Dacorum	245	20%
East Hertfordshire	48	4%
Hertsmere	92	8%
North Hertfordshire	115	10%
St Albans	85	7%
Stevenage	127	11%
Three Rivers	49	4%
Watford	107	9%
Welwyn Hatfield	81	7%
Total	1194	100%

* Latest data set collated by MCHLG (Q3, 2020/21)

TA household composition

Almost two-thirds (63%) of households living in temporary accommodation in England are families with children. Whilst in the national population, families comprise only 28% of households. As would be expected from this, Children are also overrepresented. Half (50%) of homeless people living in temporary accommodation are children, while children make up just over a fifth (22%) of the national population.

Household composition of those living in TA and Relative %*			
Household Composition	England	East of England	Hertfordshire
Total households with children	63%	55%	46%
Couple with dependent children	16%	12%	11%
Single parent with dependent children - Male	3%	4%	4%
Single parent with dependent children - Female	39%	37%	29%
Single adult male	19%	25%	32%
Single adult female	11%	14%	14%
All other household types	12%	9%	7%
Household type other / unknown	<1%	<1%	<1%

* Latest data set collated by MCHLG (End of Q3, 2020/21)

In Hertfordshire, the household composition of those living in temporary accommodation largely reflects the same trends seen in the regional and national figures. However, there is some variation:

- Hertfordshire has significantly fewer households with children living in temporary accommodation (46% compared to the national figure of 63%). There are also significantly less couples with dependent children (11% of total compared to 16% nationally).
- There are more single adult males living in temporary accommodation in the county (32% compared to the national figure of 19% and the regional figure of 25%).
- There are more single adult females living in temporary accommodation in the county compared to the national figures. However, the relative percentages are closer to the regional trends.

(Note: the impact of the Government focus on housing rough sleepers through the Everyone in campaign has been to increase the proportion of single person households in TA).

Types of Temporary Accommodation

Hertfordshire along with other local authorities use a variety of types of accommodation as temporary housing for homeless households, including:

- Private sector rented housing;
- Social housing let on short-term tenancies;
- Hostel/refuge accommodation (sometimes with shared cooking/washing facilities);
- Bed and breakfast accommodation; and
- Others, such as supported lodgings and mobile homes

The table below provides an overview of the number of households in each type of Temporary Accommodation.

Households by type of TA and Relative Percentage*			
Type of Accommodation	England	East of England	Hertfordshire
Private sector accommodation leased by a LA or a registered provider	28,324 (29%)	1,204 (18%)	96 (8%)
Nightly paid, privately managed accommodation, self-contained	24,818 (26%)	918 (14%)	126 (11%)
Local authority or Housing association (LA/HA) stock	21,620 (22%)	2,480 (38%)	560 (47%)
Bed and breakfast hotels (including shared annexes)	10,510 (11%)	670 (10%)	149 (12%)
Hostels (including reception centres, emergency units and refuges)	5,793 (6%)	933 (14%)	232 (19%)
Any other type of temporary accommodation (incl. private landlord)	4,550 (5%)	350 (5%)	31 (3%)
Total	95,615	6,555	1194

* Latest data set collated by MCHLG (End of Q3, 2020/21)

As demonstrated in the table above, whilst Hertfordshire has a significantly higher use of its own housing stock compared to the national and regional averages, it has a higher use of B&B and Hostels compared to the national and regional averages. Additionally, 26% of households in B&B or Hostel temporary accommodation have dependent children (these are comparatively low figures).

Demand drivers

Long-term trend

The ONS statistics published in December 2011 marked the end of the long-term downward trend in the number of households in temporary accommodation; seasonally adjusted figures had fallen in each successive quarter since peaking in 2004 (House of Commons Briefing Paper, February 2020). Following this milestone, the numbers of households in temporary accommodation has been continuing to increase. The most recent national quarterly statistics recorded 98,300 households in temporary accommodation, marking a 101% increase on the figure compared to December 2011 (48,920).

Hertfordshire as a county has seen an increase of a similar scale. During the same period, the number of households in temporary accommodation has risen from 481 to over 1050, marking an increase of 118% (MHCLG, 2018).

COVID-19 Pandemic

In the last year, the number of homeless people living in temporary accommodation has increased by 6%. This is equivalent to an additional 13,500 homeless people and the numbers of people in temporary accommodation rose by 6,000 in the first three months of the pandemic.

A paper published by CRISIS in November 2020 concluded that the increase seen in the pandemic was due to several factors, including:

- People who were sofa surfing and living in dangerous and transient accommodation became more visible as their living situations forced them to access help.
- There have been bigger increases from people who are experiencing homelessness for the first time, who have been furloughed and those who are newly unemployed.
- There was significant government intervention through the Everyone In initiative (see section below)

One of the biggest challenges facing local authorities is the ability to successfully move those housed in emergency COVID-19 accommodation into permanent and secure housing. The structural barriers that existed before the pandemic, including a lack of housing supply and a welfare system that does not address the underlying causes of homelessness have been exacerbated during the pandemic.

Additionally, the sharp rise in the number of households in temporary accommodation in response to the COVID-19 pandemic has not been uniform across all types of accommodation. The number of households in B&B-style accommodation increased by 60%, from 7,110 in June 2019 to 11,360 in June 2020. The number of households in local authority or Registered Social Landlord accommodation increased by 19%. The number of households in hostels and women's refuges fell by 8%, potentially because this type of accommodation is less likely to be COVID-secure (e.g. it may include shared rooms).

'Everyone in' Initiative

At the end of March 2020, the Ministry for Housing, Communities and Local Government (MHCLG) wrote to all local authorities in England instructing them to move everyone sleeping rough and in communal shelters into a safe place, ideally in self-contained accommodation. The primary aim of this initiative was to reduce the impact of COVID-19 on people facing homelessness and to prevent deaths. Plans included:

- Setting up a "a local coordination cell" to plan and manage the response to coronavirus, bringing together the local authority and the NHS
- Stopping homeless people congregating in shelters and street encampments
- "Urgently procuring accommodation for people on the streets
- Triaging homeless people "where possible" into three groups: those with symptoms of COVID19; those with pre-existing conditions but without symptoms; and those without any of the above
- Securing access to food and medical care for rehoused people
- "If possible," separating people with "significant drug and alcohol needs" from those without

The initiative was initially backed by £3.2 million targeted funding to local authorities, alongside £3.2 billion overall for councils to assist people classed as vulnerable.

This intervention has clearly saved lives during the pandemic, with infection rates and deaths amongst people experiencing homelessness at extremely low levels compared to international figures. However, the initiative is not expected to be sustainable beyond the medium term, as its sustainability relies on the additional funding supplied by central government.

The impact of Covid-19 will undoubtedly drive additional demand from families presenting as homeless. Specifically, a significant rise in unemployment could cause homelessness as residents' default on their rent and mortgage payments. There is already evidence of increased levels of domestic abuse and more people experiencing mental health problems. All of these factors are likely to result in more homelessness for families as well as single person households reversing the stable family numbers in TA seen since the end of March 2017.

The risk is that the financial costs of delivering homelessness services for significantly more households will increase the cost of temporary accommodation to a level unknown in Hertfordshire. A large increase in temporary accommodation costs has the potential to place several Councils at risk of significant budget overspends.

It may not therefore be an exaggeration to state that without applying new thinking in regard to the way Temporary Accommodation is delivered across Hertfordshire, the financial impact could put financial viability at risk.

The Covid-19 epidemic has already seen Councils, Housing Associations and partners working together in very different ways, with the usual demarcations and protocols pushed to one side. The legacy of this crisis may be that long discussed goals of wider strategic alignment and integration of service such as TA across the County may become a reality

The Covid-19 crisis is focusing the minds of all stakeholders. District Councils, core service commissioners within the County Council and service providers all recognise the need for opening-up strategic service partnerships that create whole system approach, delivering wider and lasting outcomes at reduced costs.

Coronavirus Act 2020

In order to protect the rights of tenants who have entered financial hardship as a result of the pandemic. The Coronavirus Act provides protection to social and private tenants by delaying when landlords can start proceedings to evict tenants. Funding was also made available through Local authorities to provide support for tenants to stay in their homes.

The act has successfully reduced the number of evictions. Applications to the courts for possession by private and social landlords were down 67% between October and December 2020, compared to the same quarter in 2019. The number of repossessions recorded October to December 2020 was also down by 93% compared to the same quarter in 2019. Only 548 repossessions were recorded between April and December 2020 compared to 22,444 in the same period in 2019 (MHCLG, 2021).

The end of the ban on bailiff evictions on 1st June 2020 is expected to generate a potential surge in demand for temporary accommodation could be seen across the country if a clear mitigation plan is not developed to manage tenant evictions when the ban is lifted. A quarter of a million private renters are at risk of homelessness when the Government's eviction ban lifts according to research from housing charity Shelter. Homeless Charity Homelink also believes that increasing numbers of landlords are planning to get out of the buy-to-let industry after the ban, as it is has become too stressful in the current climate (Homelink, 2020).

Hertfordshire TA and Homeless Expenditure 2019/20 (RO4 – 10 districts & HCC)			
Cost Element	Total Expenditure	Total Income	Net Current Expenditure
TA Expenditure			
Nightly paid, privately managed accommodation	£1,225,000	(£855,000)	£370,000
Hostels (non-HRA support)	£2,204,000	(£2,696,000)	(£492,000)
Bed and Breakfast accommodation	£1,080,000	(£347,000)	£733,000
Private managed accommodation leased by RSLs	£16,000	£0	£16,000
Directly with a private sector landlord	£1,030,000	(£717,000)	£313,000
Other temporary accommodation	£140,000	(£255,000)	(£115,000)
	£5,695,000	-£4,870,000	£825,000
Homelessness Expenditure			
Administration	£6,019,000	(£1,503,000)	£4,516,000
Prevention (incl. HCC prevention activity)	£5,587,000	(£1,101,000)	£4,486,000
	£11,606,000	-£2,604,000	£9,002,000
Hertfordshire TA and Homelessness Expenditure	£17,301,000	-£7,474,000	£9,827,000

Capital Letters

Capital Letters is a publicly owned social business founded in 2019 by 14 London Boroughs, with a current membership of 20 boroughs, supported by £38m MHCLG Flexible Homelessness Support Grant. It has pooled the procurement activity of these boroughs to access an improved supply of good quality accommodation, to prevent and relieve homelessness, and where necessary for use as temporary accommodation. It alleviates the costs to boroughs of providing accommodation and to encourage greater efficiency, provide extra staffing, IT and other resources to increase supply and improve the service offered to both tenants and landlords.

Capital Letters is opening new sources of supply within the private sector, by providing confidence and assurance in the product offered to landlords, switching a landscape of competition between boroughs for supply to one of collaboration, that can better intervene and manage the market, to:

- Minimise disruption to homeless people on a council's waiting list by placing them as locally as possible, reversing the trend in out-of-borough and out-of-London placements;
- Reduce the use of nightly paid temporary accommodation and ensure that properties are allocated more locally;
- Provide a mixture of Private Rented Sector properties let by owners to households nominated by the boroughs, or directly leased from landlords and managing agents;
- Reduce costs through collaborative and efficient ways of working and, wherever possible, to end a council's statutory homelessness duty;
- Provide a high quality one-stop service to landlords and managing agents, offering them fast payment and other incentives.

By 2022 and within three years of launch, Capital Letters expects to have helped 20,000 homeless households into accommodation and have up to 13,000 homes under management, with an establishment of 270 staff and an annual income of £238m.

Broadland and South Norfolk District Councils

The two Councils (operating within a shared model since January 2020) are redesigning their housing service to create a Best-in-Class model, encompassing prevention and relief of homelessness, temporary accommodation management, and housing services transformation, funded by the LGA's Housing Advisor Programme (HAP). Senior stakeholders have worked collaboratively to understand their vision and aims, unique operating circumstances and specific strategic and operational priorities:

- Agreeing an overarching set of design principles with a Joint Member Working Group, who oversaw a review of Allocations Policy to ensure the target model would meet the specific requirements of both councils;
- Understanding local context and need, through the analysis of service data, a digital survey of recent service users;
- Understanding of the national context and cross-sector best practice.

The resultant Accommodation Pathway Model is the first of its kind in the UK to deliver a holistic housing service to a whole community regardless of their immediate need. It consists of:

- An Allocations Policy that is flexible, compliant and sustainable, making best use of the housing stock, whilst ensuring individuals are aware of their potential housing choices;

- Digitally enabled Accommodation Pathways that open-up realistic choices for those exploring their housing options, whilst protecting vulnerable individuals and households who need additional assistance in resolving their housing problems;
- A Temporary Accommodation Pathway that provides flexible capacity, delivered when needed through partnership arrangements, and sustained through accurate forecasting and utilisation modelling;
- A Target Operating Model that ensures policy is delivered in a robust, fair and compliant manner, through simplified and digitally enabled business processes, that streamline customer journeys and consequently release resources to support service objectives;
- A Partnership Framework that provides targeted support to sustain tenancies wherever possible, and access to support such as benefits and employment, health, and care services, that help individuals to access and sustain more permanent accommodation;

Enfield Housing Gateway

Housing Gateway was established by Enfield Council as an independent company in 2014 to reduce an anticipated £3.3m budget pressure associated with housing families in temporary accommodation.

Since 2014, Housing Gateways has delivered 544 purchased homes, providing accommodation for over 750 homeless households, avoiding the need for costly nightly paid accommodation. Properties have also been bought specifically for people with learning disabilities and a number redeveloped to accommodate more bedrooms. It has also improved the quality, availability and security of private rented accommodation for those at risk of homelessness.

Since 2014, Housing Gateway has built an asset base of £129m and retained earnings of £11m, realising savings of at least £1m per year for Enfield Council, £7m in total since 2014. It has ambitious goals to expand its portfolio by at least a further 250 properties by 2023, and to develop an ethical lettings agent diversifying its product range, preventing homelessness as well as providing alternatives to temporary accommodation to a wider client base. The Council has also made a commitment of £5m equity investment and low rate, short-term borrowing to support this expansion of the company's portfolio, which is projected to grow in value to £259m.

Lewisham Council modular homes

Lewisham Council is building 34 two-and-three-bedroom modular housing units for use as temporary accommodation, at a development in Edward Street in Deptford, due for completion by 2022, the scheme also includes two small retail units.

The units will be built using Precision Manufacturing Housing (PMH) methods, also known as modular housing, by Caledonian Modular, with most of the construction taking place off-site in a factory setting, before being transported to site for assembly. The units take 30% less time to construct and at a cost 20% cheaper than traditional construction methods.

This 'pop-up village' scheme is a temporary solution while new-build and estate regeneration take place across the borough. The modular housing units are expected to remain on the site for around four years, when they can be moved to other sites as required.

Funding has been provided from the GLA via its Accelerated Construction Fund (£13.75m) and the Right to Buy Ringfence Agreement (a further £5m), as part of a three-scheme project delivering 65 homes in total, managed by Lewisham Homes. There are currently over 2,000 households in temporary accommodation in Lewisham.

APPENDIX 4: STATUTORY REQUIREMENTS

Assessment

When assessing the suitability of any TA to be offered to an applicant the Council is required to undertake a number of tests. These can be summarised as:

Test 1: Is the offer suitable re the property standards, and does the landlord pass the fit and proper test?

Test 2: Is the offer affordable (this will require an income and expenditure assessment)?

Test 3: Is the property's location suitable for that applicant and their family?

Test 4: Is there any other factor that renders the property suitable or unsuitable?

Sitting behind this 4-part test is the legislation, regulations, the Homelessness Code of Guidance and leading case law.

Legislation

Local housing authorities in England have an individual duty to secure accommodation for unintentionally homeless households in priority need under the Housing Act 1996. Households might be placed in temporary accommodation pending the completion of inquiries into an application, or they might spend time waiting in temporary accommodation after an application is accepted, until suitable secure accommodation becomes available. Temporary Accommodation is a limited provision and is therefore allocated on a priority need basis to those who are/will be classified as homeless. As far as reasonably practicable, authorities should avoid making out of area placements for homeless households and use this option only as a last resort when no accommodation in the local area can reasonably be procured.

Following the Homelessness Reduction Act, a local authority has a statutory duty to ensure that everyone it accepts as eligible for homelessness assistance and is homeless, is assisted under the section 189B "initial duty" usually referred to as the "relief" duty. This means that the authority must take reasonable steps to help them to secure accommodation with a reasonable prospect of being available for at least 6 months. Applicants who also have (or may have) a priority need for accommodation must be provided with suitable interim accommodation until the relief duty is brought to an end.

What is referred to in the homelessness legislation as the main housing duty is pushed back to a later stage of the homelessness process. If the relief duty is successfully discharged, so that 6-month accommodation is found, the authority does not need to make a decision about the main housing duty. If, however, the relief duty is unsuccessful in securing accommodation, then applicants who have a priority need and are not intentionally homeless, become, at the end of the 56-day relief duty, entitled to the main housing duty. This means they must be provided with suitable temporary accommodation until a long term settled housing solution is found. In this context a settled housing solution normally involves a social letting with security of tenure, or a suitable offer of a minimum 12-month fixed term AST in the private rented sector.

If there is no suitable social housing or private rented offer available at the point a main duty is accepted, a local authority will usually have to provide longer-term temporary accommodation until there is a solution. It is this point when Councils are more likely to use social housing stock as TA or leased accommodation from a private landlord.

APPENDIX 5: HERTFORDSHIRE TA JOINT WORKING

Hertfordshire Accommodation Cell

Purpose

- To provide a forum for dissemination and exchange of information and effective joint working across the county to ensure the successful provision of accommodation and appropriate support to anyone who is rough sleeping, at risk of rough sleeping or homeless during the Covid 19 outbreak;
- To identify any gaps in availability of accommodation, support, goods and services across the county;
- To establish costs and funding streams to support this work across the county;
- To identify opportunities for collaborative working in terms of information exchange, joint procurement/commissioning, joint funding, sharing of experience and good practice.

Key Aims of Cell

Data Capture and Analysis

Information to be collated weekly by districts and key stakeholders to capture the demand and supply of accommodation and support, gaps and opportunities for collaborative working and the costs.

Established Referral and Housing Pathways for specific groups

- Rough Sleepers with complex needs or failure to engage
- Prison release
- Probation
- Domestic Abuse
- Hospital Discharge
- Drug/Alcohol
- Mental Health

Collaborative Working

Identifying opportunities for collaborative procurement, commissioning and pooling of resources, to ensure that we have an effective response across Hertfordshire.

Maximising Funding Opportunities

- Collecting relevant information about the cost of the response and reporting this to MHCLG and other bodies to maximise the opportunity of recovering costs.
- Considering current budgets and funding opportunities to ensure the most effective use of available resources
- Sharing information about capacity within existing services.
- Identifying Key Risks, challenges and barriers to be escalated

Information Sharing

An Information Sharing Protocol will be developed/is in place to ensure that all relevant information will be shared by members in a timely way.

Identifying and sharing good practice.

Agreeing Long term Strategy for move on from temporary accommodation.

Membership

Representation from the following organisations:

Hertfordshire County Council

Hertfordshire Partnership Foundation Trust

NHS England

Probation

BENCH

Hertfordshire's ten District/Borough Councils (housing leads)

MHCLG

Governance Structure

Reports to Tactical Coordinating Group

Links to Voluntary and People Assistance Cell

Outcomes

The Cell has addressed the urgent demands placed on Local Authorities due to the Everyone In and Protect Directive with the intention to share good practice, feed into the Volunteering, People and Action Cell and the Local Resilience Forum set up during the pandemic and improve county wide working.

The outcomes of the Cell have been better information sharing about sites in which we have all made placements to meet our homeless requirements, placements numbers and challenges for all authorities which identified gaps in Housing Related Support which was followed by the County council providing funding and services to meet this gap worked jointly to provide accommodation during the first national restrictions; Stevenage Council led on the lease of the Holiday Inn Express provision for accommodation, security, food and support for not only SBC but also East Herts and North Herts Council.

Cell meetings have become less frequent however continues to be a vital tool for the 10 Hertfordshire Local Authorities to share information, receive guidance from Ministry Housing and Communities for Local Government, Homes England and other partners and have opened discussions about how we can work better together.

Authorities have also jointly worked on a template to bid for Ministry of Justice funding, the roll out of the Survivors Against Domestic Abuse provision across Herts has been monitored at these meetings.

Joint Housing Protocol

The Homelessness Reduction Act (HRA) amended the Housing Act 1996, introduced significant new duties for local housing authorities and partners, particularly concerning joint working in relation to care leavers. A *Joint Housing Protocol* is designed help children's services and housing authorities deliver the local accommodation

offered to care leavers and prevent homelessness. It sets out commitments as corporate parents, and how these will be delivered in practice.

A Local Offer

Local authorities are required under section 2 of the Children and Social Work Act 2017 to publish a local offer, which sets out the services and the support available for care leavers. The local offer should include information on how care leavers are supported to access suitable accommodation, including the support available from housing services. Joint housing protocols should be aligned with the local offer and can help to ensure that the commitments to support care leavers to access and sustain accommodation are met. Local authorities should consider providing a link to the joint protocol within a local offer so that care leavers, advocates and other professionals can have access to the document.

Care Leavers Accommodation and Support Framework

Bernardo's and St Basils, with support from MHCLG and DfE, developed an Accommodation and Support framework for care leavers which draws on expertise from across local government, the voluntary sector and care leavers, to outline best practice in providing suitable accommodation and support pathways for care leavers. It outlines the following 5 stages in supporting care leavers to independent living:

- Preparing for the reality of housing options;
- Planning care leavers' accommodation and support options with them;
- Reducing housing crisis;
- Accessing housing and support as needed;
- Accessing and successfully managing longer term move-on and support options.

To help ensure best practice the framework is used by commissioners and local providers of housing support in consultation with care leavers, to map existing services for care leavers care leavers.

Hertfordshire response

All 10 Hertfordshire authorities (Stevenage, North Herts, Welwyn Hatfield, Dacorum, East Herts, Watford, Three Rivers, Broxbourne, St Albans, Hertsmere) and Hertfordshire County Council work within the Protocol, to ensure the even distribution of resource across the county in meeting challenged faced by groups in which the district or borough council do not owe a duty and must be addressed by the County Council. These main groups are 16/17-year olds, Care leavers, Families with no recourse to public funds and those found Intentionally Homeless. This protocol is effective in ensuring that the upper and lower tier authorities are clear on what is expected from them and the legal responsibilities. There has also been work to identify all young person's temporary accommodation and ensure that there is agreement that each LA has the nomination rights for their areas but that where demand varieties there is flexibility across the county.

APPENDIX 6: PROGRAMME DELIVERY STRUCTURE

Alignment to Growth Board and Hertfordshire Property Partnership

The programme, initiated through the Hertfordshire Property Partnership (HPP), is being led by the Hertfordshire Homes and Communities Group (HHCG), a sub-group of the Hertfordshire Growth Board. The group has accountability for developing housing strategy and policy, working in support of the aims of the Growth Board that has identified delivery of homes and communities as a Hertfordshire-wide priority. HHCG works in partnership with HPP, Housing Associations representing the Build East strategic development consortium and all Hertfordshire's LAs, along with NHS, Police, One Public Estate and the LEP.

Programme Work Themes and Deliverables

It is anticipated that this programme will deliver its objectives through completion of the following activities/deliverables. These activities were developed through the output of a series of workshops held with key stakeholders from the county's local authorities.

Work Theme	Function and Outputs	Key Organisation & Stakeholders	Anticipated Input (H/M/L)
Phase 1			
Finalise Strategic Case for Change <i>Strategic Focus</i>	Support gaining approval of the SOC to progress to the OBC – specifically focussed on developing the financial and legal framework that enables delivery of volume and decent quality of accommodation to households requiring temporary accommodation.	Growth Board Homes & Communities Group Programme Steering Group (including district & borough reps)	L
Phase 2			
Financial & legal framework <i>Strategic Focus</i>	Review implications for LA's (including HRA). Impact of Govt. 'rough sleeping services budget'. Identify sources of funding	Chief Finance Officers representation Heads of Housing representation	M

Work Theme	Function and Outputs	Key Organisation & Stakeholders	Anticipated Input (H/M/L)
	<p>Develop options for funding new developments that all Local Authorities can sign up to.</p> <p>As required, develop strategic agreement that accounts for Local Authority statutory responsibility</p> <p>Consider the role of Housing Associations / Registered Social landlords in future arrangements</p>		
<p>Data/Intelligence</p> <p><i>Tactical/operational Focus</i></p>	<p>Develop baseline data for KPI's</p> <p>Benchmarking the approach other authorities/agencies across the country are taking.</p> <p>Influencing method of data collection to enable access of post code level data</p> <p>Review of available stock</p> <p>Identification of further land across the county that could be used for temporary accommodation</p> <p>Develop potential options to produce trend forecasting (including impact of the removal to the cap on no fault evictions)</p>	<p>District / Borough representation</p> <p>Adult / Children Social Care representation</p> <p>MHCLG Homelessness & Prevention Team</p>	M
<p>Housing – policy & operations</p> <p><i>Tactical/operational Focus</i></p>	<p>A shared vision around quality standards using agreed best practice across Hertfordshire. This could include drafting an Out of Area Placement Policy between Local Authorities in Hertfordshire with guidance for targeted vulnerable groups including Care Leavers, unaccompanied asylum seekers & ex-offenders</p> <p>Current capital development, including hostels</p> <p>Implications of COVID-19</p>	<p>Heads of Housing & Property representation</p> <p>Other authority representation</p>	H
<p>Recommendations /Options development</p>	<p>Depending on output of other work themes but will include:</p> <ul style="list-style-type: none"> • Future strategy • Future governance • Potential benefit realisation • Options for construction 	As required	M

Project Role and responsibilities

It is recognised that any collaboration project will require the support and engagement of staff across from all the county's local authorities.

Role in Project	Name/s	Key Responsibilities
Programme Sponsor	Simone Chinman Russell	The role of the Project Sponsor is ultimately responsible for the project and its success. They ensure that the project is focused throughout its life on achieving its objectives and delivering the benefits outlined. They also ensure that the project gives good value for money and that it continues to be aligned to key organisational strategy.
Programme Lead	Roger Barrett	The role of the Programme Lead is primarily responsible for ensuring the project's success by chairing the Project Working Group to ensure that the project is focused throughout its life on achieving its objectives and delivering the benefits outlined. They communicate directly with the Project Sponsors and provide updates to other key stakeholders within the project, with the support of the Accountable Senior Manager and Project Manager as required.
Programme Manager/s	Tobias Barker	The role of the Programme Manager is to provide key guidance and decision-making to enable the effective delivery of the project. They act as the key link between the Project Working Group, Project Governance and Project Sponsor. They have general oversight of the project and the Project Manager reports directly to them.
Programme Senior Users (Heads of Housing)	Senior Users: Sian Chambers, Natasha Beresford, Emily Dillion, Hannah Morris	The role of the Senior User is to oversee and champion the project and the key objectives and benefits to be delivered. The group will receive project updates, provide guidance and advice and support key strategic decisions. It will also be the escalation point for significant risks and issues that threaten the successful delivery of the project objectives. They are also responsible for: <ul style="list-style-type: none"> • Making key decisions to assist towards the achievement of the project vision and objectives. • High level monitoring of project progress against plan. • Definition of acceptable risk and the overview of the management of risks and issues. • Define and oversee the realisation of programme benefits and change resulting from the programme. • Recognise the need to ensure compliance with organisational strategy and policy.

Role in Project	Name/s	Key Responsibilities
		<ul style="list-style-type: none"> • Monitor progress against objectives and benefit realisation. • Ensuring adequate resources are available for successful delivery of benefits. • Assist with change management within the business and champion implementation as necessary.
Project Manager	George Soderberg	<p>The role of the Project Manager is to run the project on a day-to-day basis on behalf of the Project Sponsor, Accountable Senior Manager and Project Governance. They have the following responsibilities to:</p> <ul style="list-style-type: none"> • Ensure the project produces the required outcomes and benefits. • Develop and maintain a project plan. • Manage all project controls, including issue logs, risk logs, lessons log and highlight reports. • Engage with and assign work to members of the project working group to deliver the project.
Lead Data/Intelligence Officer	District / Borough representation Public Health representation Adult / Children Social Care representation MHCLG Homelessness & prevention team	<p>The role of Data/Intelligence colleagues is:</p> <ul style="list-style-type: none"> • Analysis of current trends in terms of need & other relevant material (e.g. domestic violence). • Develop baseline data for KPI's. • Benchmarking the approach other authorities/agencies across the country are taking. • Include Housing Related Support.

Programme Assurance

Input and assurance will continue to be drawn from several independent county groups during the business case development process. These include:

- Heads of Housing
- Heads of Planning
- Heads of Property
- Homeless & Rough Sleeping Cell formed as part of the response to COVID-19
- Hertfordshire County Council resources

Risk Management

If the SOC is approved, a comprehensive Risk Management Strategy will be developed to effectively manage and monitor risks and issues as they are identified during the further investigation of the potential options. However, an initial high-level risk assessment has been conducted, with a summary provided below:

Risk Reference	Description of Risk	Severity (H/M/L)	Mitigation
R1	There is a lack of buy-in from Local Authority's to the proposals identified through the work of the programme	High	A cross organisational steering group has been established to ensure that all LAs are effectively represented. The final proposals made as a result of the options appraisal will be passed through local decision-making structures to obtain approval
R2	A financial or legal issue is identified through the investigation of options available, which impedes the development of a more central approach	High	Specialist external bespoke support has been procured to identify any issues at an early stage of the investigation
R3	The financial model developed to support the delivery of a central approach does not deliver a fair balance of investment for all local authorities	Medium	A cross organisational steering group has been established to ensure that all LAs are effectively represented. The final proposals made will be passed through local decision-making structures to obtain approval from individual LA
R4	There is a risk that postcode level data may not be accessible or available around TA demand and household placement to accurately inform analysis and subsequent proposals for change	Medium	The project team is working with the county's local authorities and MHCLG to access post code level data to support the development of options
R5	The programme does not obtain the required funding or backing in order to deliver the identified programme benefits	Medium	Funding has been successfully obtained from the LGA Housing Advisors Programme and Hertfordshire Property Partnership to fund the cost of an external consultant to offer bespoke advice. One Public Estate have indicated that the programme may meet the criteria to apply to a future funding round This work falls within the remit of the Growth Board Affordable Housing

Risk Reference	Description of Risk	Severity (H/M/L)	Mitigation
			programme and will be aligned to future bids for funding as required

Constraints and Dependencies

During the workshops we identified the following key constraints for this programme:

- Postcode data may not give information required around original demand / placement;
- Lack of land restricts ability to be more creative with future developments;
- Inconsistencies in use of data and different systems being used (identified 5 separate systems with no cross-working interface);
- London out of Borough and other neighbouring county placements in Hertfordshire reducing available accommodation;
- Different costs in different areas may be a challenge of pooled resource because of differing property prices, nightly cost of accommodation etc.;
- Access to funding;
- Use of Modern Methods of Construction may lack political / residential support;
- Political viewpoint will vary between each Local Authority, particularly in areas where there's not an issue with provision;
- Meeting local homelessness demand must be resolved within District/Borough area. Statutory and politically mandated;
- Cross boundaries a challenge with meeting needs of existing residents;
- The rise in complex client needs requires work to be done with all LAs to provide a model of how this work will provide a suitable provision for them.

Change Management

The strategy, framework and plan for dealing with the management and delivery of change, including communications and engagement, will be developed if the SOC is approved.

Programme Procurement Strategy:

The identified procurement strategy will be determined if the SOC is approved, allowing more detailed analysis and design to be completed on the preferred options. Analysis will also be undertaken in order to consider factors such as the state of the market, impact of Brexit on procurement regulations and any other local procurement considerations applicable to particular district partners which may impact the project.

External backing and Funding

Grant funding bids were submitted to the Housing Advisors Programme (HAP) and Hertfordshire Property Partnership which were successful. This funding will help the programme to fund the provision of bespoke support and advice in order to fully understand the legal and financial considerations/issues associated with developing a collaborative approach to managing the provision of temporary accommodation. This funding

should also enable the identification of any key risks/issues at an early stage which can then be effectively managed and mitigated.

Hertfordshire's One Public Estate regional partners have expressed interest in the programme and recommended that the programme explores the options of submitting a bid at a future funding round.

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