

# Chichester District Council

CABINET

5 March 2019

## Homelessness Prevention Fund

### 1. Contacts

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### 2. Recommendation

- 3.1 That the Cabinet approves the adoption of the proposed Homeless Prevention Fund policy at Appendix 1 and the repurposing of £43k as described in para 6.2 of this report.**

### 3. Background

- 4.1 In February 2016, the Cabinet report 'Housing Strategy Review' renamed the Mortgage Rescue Scheme reserve fund, 'Homelessness Prevention Fund', reduced the fund to £50,000 and widened its use to the prevention of homelessness as a result of welfare reforms. £43,000 remains in the fund.
- 4.2 Often the Council accommodates households in temporary accommodation who are not eligible to apply to the housing register as they have significant housing related debt. Households may have a full housing duty owed to them but cannot apply to join the housing register until they are in a repayment plan for 6 months or the debt is cleared. Registered Providers of Social Housing also carry out financial assessments on nominated households for social housing and may refuse nominations where the household have outstanding debts to social landlords or to a local authority.
- 4.3 This can lead to homeless households spending longer in temporary accommodation as they have reduced housing options. This in turn reduces turn over and availability of temporary accommodation which may result in households being accommodated in B&B. Often homeless households are financially reliant on the welfare state and therefore have very limited disposable income to be able to repay a debt once it has accrued.

#### **4. Outcomes to be Achieved**

- 5.1 Reduce the time households spend in temporary accommodation to minimise the impact of homelessness on households.
- 5.2 Reduce the time households spend in temporary self-contained accommodation owned and managed by the Council so that more households can be helped.
- 5.3 Reduce the use and time spent in B&B accommodation by homeless households, especially outside the district.

#### **5. Proposal**

- 6.1 It is proposed that Cabinet approve the Homeless Prevention Fund policy attached in Appendix 1.
- 6.2 This policy will be funded by use of the remaining Homeless Prevention Fund of £43k to provide financial assistance to eligible households and reduce financial hardship.

#### **6. Alternatives Considered**

- 7.1 A comprehensive review of the Council's housing Allocation Scheme in consultation with stakeholders including Members and Registered Providers has commenced and will be presented to Cabinet later this year. This review will evaluate the impact of restricting those with significant housing related debt from being eligible to apply to the Council's housing register whilst ensuring the Council is able to effectively meet its statutory duty to secure suitable housing for homeless households and meet the demand for social housing. The Homeless Prevention Fund Policy will also be reviewed to ensure that both policies are aligned and provide the most effective outcomes for both clients and the Council.
- 7.2 Consideration has been given to whether we could recycle the fund by giving eligible applicants a recoverable grant but there were wider legal implications in terms of lending of money especially where the debt may be owed to the Council itself either through a Council Tax debt or temporary accommodation licence fee arrears.

#### **7. Resource and Legal Implications**

- 8.1 The Homeless Prevention Fund is an existing budget. The review of the Allocations Scheme will consider the most effective way to deal with applicants with significant housing related debt in the long term.
- 8.2 The Fund will be administered and managed by existing staff.
- 8.3 There are no additional running costs to administer the use of this fund.

#### **8. Consultation**

- 9.1 The Council's legal & finance teams.

## 10. Community Impact and Corporate Risks

- 10.1 The resource is limited to the remaining outstanding funds in the Homeless Prevention Fund and therefore cannot assist all households with housing related debt. Priority will be given to households placed in temporary accommodation by Chichester District Council in accordance with the Housing Act 1996 (as amended by the Homelessness Reduction Act 2017).
- 10.2 Through Personalised Housing Plans applicants are required to take reasonable steps to prevent and relieve their homelessness and this will include continuing to manage their financial affairs in accordance with their debt management plan. This will avoid applicants receiving grant funding and accruing new debt. Personalised Housing Plan actions are regularly reviewed until the Council's Prevention or Relief duty is ended.

## 9. Other Implications

Are there any implications for the following?		
	Yes	No
<b>Crime and Disorder</b>		X
<b>Climate Change and Biodiversity</b>		X
<b>Human Rights and Equality Impact – Positive impact</b>	X	X
<b>Safeguarding and Early Help</b>		X
<b>General Data Protection Regulations (GDPR)</b>		X
<b>Health and Wellbeing – Positive impact</b>	X	X
<b>Other</b> (please specify)		X

## 10. Appendices

Appendix 1 - Homelessness Prevention Fund Policy.

## 11. Background Papers

None.