

Item No. 10.	Classification: Open	Date: 17 January 2024	Meeting Name: Cabinet
Report title:		Placement Policy for Temporary Accommodation and Private Rented Sector Offers	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Helen Dennis – Cabinet Member for New Homes and Sustainable Development	

FOREWORD - COUNCILLOR HELEN DENNIS, CABINET MEMBER FOR NEW HOMES AND SUSTAINABLE DEVELOPMENT

Across the country there is a crisis in homelessness and temporary accommodation, and this crisis is now particularly acute in London where 1 in 23 children are now estimated to be in living in temporary accommodation. This is driven by both an increase in homelessness applications, including as a result of Section 21 evictions and rising Home Office cases, and by higher procurement costs, with very few affordable properties available to local authorities. It is in this context that we are bringing forward a suite of measures designed to ensure that our approach in Southwark is as efficient and fair as possible, whilst remaining focused on homelessness prevention and securing the best possible outcomes for our residents who find themselves vulnerable and without a stable and secure home.

This reviewed placement policy builds on policies adopted in 2021, including our Good Homes Standard for Temporary Accommodation, and brings Southwark in line with other local authorities by moving to one offer rather than two as a means to discharge our statutory duties. This will ensure that we focus our efforts in meeting the suitability criteria and should also reduce the amount of time that residents may stay in expensive nightly paid accommodation. It is coupled with a clear process for requesting reviews and over the coming months, will also be accompanied by further work on procurement, an overarching Homelessness Strategy and work to review our Allocations Policy. Southwark Council is committed to doing all that we can to respond to this escalating crisis, to build the affordable homes we need in the long-term, and to work with partners to ensure that our resources are deployed in the most effective way. But ultimately, it is a joined-up national approach to homelessness which is required, and we will continue to advocate for this and for fair benefits and funding to end homelessness and rough sleeping for good.

RECOMMENDATIONS

That cabinet:

1. Approves the Placement Policy for Temporary Accommodation (TA) and Private Rented Sector Offers (PRSO) (Appendix 1).
2. Agrees to an annual review of the Placement Policy which takes account of service user feedback.

BACKGROUND INFORMATION

3. In London and nationally, levels of homelessness have been consistently rising. This has impacted both on the numbers of homelessness assessments carried out, prevention work with residents and placements in temporary accommodation.
4. The most recent national figures provided in July 2023 reported the number of households in temporary accommodation in England was at its highest since records began in 1998, with 104,510 households in temporary accommodation at the end of March 2023. This has increased by 9,520, or 10%, since the same time last year.
5. Generally, the shortage and unaffordability of housing in the private sector is the critical underlying factor for the majority of homelessness instances. This is largely impacted by the cost of living, interest rates and follow up outcomes coming out of the pandemic.
6. The Council has a statutory obligation to homeless households under Part VII of the Housing Act 1996, as amended by the Homelessness Act 2002 and the Homelessness (Priority Need for Accommodation) Order 2002, the Homelessness Reduction Act 2017 and the Domestic Abuse Act 2021.
7. The Council's duties include the provision of housing advice; action to prevent and relieve homelessness; providing housing related support; carrying out inquiries and making decisions on housing duties to homeless households; providing emergency accommodation and longer term temporary accommodation in response to homelessness; discharging the prevention, relief, temporary or full housing duties through an offer of suitable accommodation, which may be in the private or social sector.
8. The temporary accommodation and homelessness policies that determine how homes are procured, allocated and minimum property and management standards, are set out in the below policies:
 - Temporary Accommodation Procurement Policy;
 - The Temporary Accommodation Placement Policy;
 - Private Rented Sector Offer Policy

9. The policies were last reviewed and amended in September 2021, to provide the Council with the option of placing households in accommodation further from Southwark (outside of the M25) and to include the introduction of the Southwark Good Homes Standard.
10. The council collates statistical information alongside exploring case studies which have been used in order to review the impact of the existing policy.

KEY ISSUES FOR CONSIDERATION

11. The TA Placement policy and Private Rented Sector Offer Policy are being combined as they largely cover the same issues, namely suitability, location and number of offers.
12. The policies were last reviewed in September 2021 and amended to provide the option of placing households in accommodation further from Southwark (outside of the M25) and the introduction of the Good Homes Standard.
13. The revised policy that is being recommended, improves the process of allocating affordable and suitable homes, and focuses on factors that are relevant to individual households. This requires the Housing Solutions Service to ensure that suitability assessments are carried out before the decision to offer accommodation is made. Similarly, personal housing plans will also have to be prepared in a timely manner to ensure that the Council is able to achieve its prevention of homelessness objectives.
14. The revised policy seeks to achieve the strategic outcome of enabling the Council to offer properties that are affordable and suitable for those who require housing assistance under the legislation to resolve the housing need. The lack of available homes in Southwark and the immediate vicinity, means offering suitable property within and close to the local area is extremely challenging. The largest provision of in-borough homes comes from the Housing Revenue Account stock.
15. The policy also seeks to simplify the process of offering temporary accommodation and to adopt of a more thorough customer first approach by the Housing Solution Service.
16. The current approach of making two offers of TA has become constrained due to limited housing stock. A lot of time and effort is expended trying to source scarce accommodation, which results in a shift of focus away from adequately assessing suitability in order to allocate the right property first time.

Policy framework implications

17. Placement Policy for Temporary Accommodation and Private Rented Sector Offers: Proposed changes

- Reducing the number of offers of accommodation down to a single offer of temporary accommodation whether on an interim or longer-term basis, post acceptance of a full duty.
- A requirement on the Council to carry out suitability assessments to ensure that it can evidence the suitability of accommodation that is offered.
- A strictly defined set of factors to enable the determination of suitability and geographical locations;
- A robust transfer process for those that are in accommodation that is unsuitable.

18. The current two offer policy is unique to Southwark, goes above the requirements set out in legislation and is not reflective of the challenges of procuring accommodation in the private rented sector. This is therefore placing unnecessary additional operational pressures on staffing resources to fulfil the policy requirement. In making the change to one offer, the council will align processes with what is legally required and the practices completed by other local authorities and make best use of staffing resources in a housing market which has seen a reduction in supply.

19. The proposal to make a single offer and emphasis on suitability assessments will have an impact on customers by ensuring that prior to making a placement, the household's circumstances have been fully considered. This will put greater onus on the Council to change how and when it assesses suitability, drafts personalised housing plans and decides if the criteria for those with the highest need to be in or closer to Southwark are met.

20. The reduction in the number of offers that will be made should enable the Council to streamline a robust process, focusing on matching applicants with suitable offers and ensuring that case management actions are undertaken within appropriate timescales. Currently, the two-offer policy has financial implications in that it inadvertently extends the period of time that an applicant spends in Nightly Paid Accommodation.

21. This new policy seeks to ensure no child of school age is prevented from accessing education due to travel limitations. Therefore due regard to the Department for Education's published document, Travel to School Statutory guidance for Local Authorities June 2023 has been considered. In practice, the council will ensure that a thorough suitability assessment will be conducted, including full reference to the travel times

to school as well as availability of a new school in the accommodation location. In addition, the policy includes specification that children undertaking exams within 6 months will be prioritised for accommodation local to the school.

22. The existing policy permits Southwark to place households outside of London. This has been part of working practices applied by Southwark with less than 5% of temporary accommodation located outside of London. Given the market conditions, it is inevitable that the Council will need to look further afield for properties and this is likely to lead to a larger number of households being offered suitable accommodation outside of the Borough. Where no suitable accommodation is available in the short term, the Council will be responsible for applying the transfer process transparently and fairly.
23. The revised policy highlights the processes relating to a temporary accommodation transfer list. Specifically the policy highlights TA moves will not be prioritised simply by time spent on such a list without regard to the specifics of their case. Instead, the council will track households who need to move because of their needs by maintaining a list which fully records this information. This will be done on a daily and weekly basis to update and distinguish between those in accommodation that is unsuitable now and applicants whom the council considers will need to move in the short or medium term. This change will also bring the policy in line with updated legislation.
24. As with the existing policy, the revised policy outlines that the household will be provided with details of the property they are being offered and can still refuse an offer of TA or a PRSO. The Resident will be informed of this in writing and also informed of the consequences of refusing an offer.
25. Households who are provided with an offer of TA or a PRSO will be provided with details of their rights to lodge a review of the offer. Any review request or legal challenges to accommodation offered will be processed through the councils Reviews Team and legal services respectively, as it is under the current process. However moving to one offer will streamline the process and permit the council to improve efficiency in placing households into suitable accommodation and prioritise households for a TA transfer. Thus, it is anticipated the council will see a reduction of reviews; however it we will be fully equipped to deal with any that come in. The initial discussion with the resident at the point of offer will help to manage expectations and seek to reduce the number of reviews lodged based on a household's preference, that cannot be met in the current housing market.

Future supply of accommodation

26. Growing pressures from homelessness demand and unaffordability of accommodation in London will likely see an increase of households placed further afield. However, the council will continue to explore all options to secure accommodation locally and meet the needs of households presenting as homeless. This includes the following:
- a. Long term accommodation investment opportunities
 - b. Usage of council owned accommodation on regeneration sites
 - c. Allocations of council accommodation
 - d. Engagement in the private rented sector market
27. The above list is not exhaustive and each option will be carefully considered and thought out against costing and alignment with the councils overall strategy. In doing so, separate reports will be produced and placed through the relevant scrutiny to ensure the appropriate consideration has been given.

Community, equalities (including socio-economic) and health impacts

Community impact statement

28. The Council has taken extensive steps to make improvements in the homelessness assessment and temporary accommodation provision and procedures. Maximising the supply of local accommodation for those who need it, is a critical part of the policy, but where the Council is not able to offer in-borough accommodation it must have demonstrably taken relevant factors into account and provide or enable access to improved resettlement and tenancy sustainment services. The new management agreement will ensure that providers offer applicants more support in the locality where they going to be accommodated, and information to enable households to make informed decisions about the offer of accommodation that is made to them.

Equalities (including socio-economic) impact statement

29. Extensive examination of the policy of making two offers found that in practice the second offer did not provide any benefits to households. Therefore, reducing the number of offers from two to one will not have an adverse impact on any groups.
30. The impact on young people and education has been highlighted as an area of concern. The impact that living in temporary accommodation has on children is well documented. However the support provided through the Councils Resettlement team will help to mitigate any adverse impact and identify the households where further intervention is required. One offer of suitable accommodation in the private sector will have a positive impact on households as it provides a permanent rehousing solution and stability to households.

31. Greater emphasis on making a suitable offer the first time will have a positive impact on households across all groups. Ensuring households are provided with accommodation that is affordable will mean households are not disadvantaged going forward.
32. The introduction of a TA transfer list will have a positive impact on households who require an urgent move due to medical needs.
33. The council will keep the policy under constant review and will monitor equalities data and information.

Health impact statement

34. There are no direct health impact issues. However, any unintended health issues will be mitigated through the Equalities impact and needs assessment.

Climate change implications

35. There are no climate change implications. The Council has already adopted property standards that focus on energy efficiency and fuel poverty reduction in its Southwark Good Homes Standard.

Resource implications

36. There are no specific resources implications, but the policy will enable officers to focus on improved service delivery.

Legal/Financial implications:

37. The new TA Policy, as reviewed, is compliant with legislative requirements, government guidelines, relevant case law and our fairer future commitments.
38. Simplifying the policy and focus to one suitable offer will drive efficiencies in the service, reducing abortive offers, and potentially mean applicants spend less time in nightly paid accommodation and ensure that officers focus on a single suitable offer that reflects the suitability assessment and the contents of the personal housing plan.

Consultation

39. There is no legal requirement to conduct a consultation process on a TA placement policy, however feedback from various forums has been sought.
40. The revised policy changes has been consulted through the Homelessness Forum which raised the importance of ensuring sufficient suitability assessments are completed. This has been reflected in the revised policy.

41. Feedback from complaints and case studies, has led to amendments within the policy to re focused the service on ensuring offers of TA and PRSO are suitable first time.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Assistant Chief Executive – Governance and Assurance [KM 4/12/23]

42. Part VII of the Housing Act 1996 (“HA96”) imposes duties on the Council as a local housing authority to secure suitable temporary accommodation for the homeless while enquiries are made into their entitlement to assistance and, thereafter if certain conditions are satisfied.
43. The Homelessness (Suitability of Accommodation) (England) Order 2012 (“the 2012 Order”) and the accompanying Supplementary Guidance issued by the Secretary of State, establishes that the location of the accommodation – including, where the accommodation is out of the borough, its distance from the borough - is relevant to the issue of the suitability of the accommodation secured. The 2012 Order also sets out other matters related to location that the authority must have regard to in considering suitability of accommodation.
44. By s208 of the HA96, the Council must, so far as practicable, secure temporary accommodation within its district.
45. The Supreme Court decision in the case of *Nzolameso v Westminster City Council* (“Nzolameso”) emphasises the need for local authorities to have regard to their statutory duties under ss206 and 208 of the Act. It establishes that where “in-borough” accommodation cannot be secured, a local housing authority must secure accommodation as close to the borough as reasonably practicable (which may involve considerations of cost to the authority), and be prepared to justify in a particular case why the accommodation that was offered was suitable having regard to the statutory duties. The Supreme Court sets out guidance for local authorities. It recognises that authorities will predict likely demand and recommends that: “...Ideally, each local authority should have, and keep up to date, a policy for procuring sufficient units of temporary accommodation to meet the anticipated demand during the coming year. That policy should reflect the authority's statutory obligations under both the 1996 Act and the Children Act 2004...” and: “...each local authority should have, and keep up to date, a policy for allocating those units to individual homeless households. Where there was an expected shortfall of “in borough” units, that policy would set out the factors which would be considered in offering households those units of accommodation, the factors which would be taken into account in offering units close to home, and if there was a shortage of such units, the factors that make it suitable to accommodate a household further away...” . The policies

would need to be approved in accordance with the council's arrangements and have to be available to the public.

46. In preparing these policies, the Council has to have regard to its public sector equality duty under the Equality Act 2010, which requires it to have due regard to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- advance equality of opportunity between people who share a "protected characteristic" and people who do not;
- foster good relations between people who share a relevant "protected characteristic" and people who do not.

The "protected characteristics" are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation. They also cover marriage and civil partnership with regards to eliminating discrimination.

47. As regards consultation, the law requires that consultation must be undertaken when proposals are at a formative stage and include sufficient reasons for the proposal and time for interested parties to respond. The cabinet member is required take into account the outcome of the consultation when making a decision on the recommendations and is referred to the consultation section of this report.

Strategic Director of Finance

48. The report notes the change in policy, particularly the removal of the two offer policy and difficulty quantifying the financial implications, however, in some instances it may reduce the number of nights a household spends in more expensive nightly paid and should allow staff more time to focus on adequately assessing suitability to allocate the right property.

BACKGROUND DOCUMENTS

APPENDICES

No.	Title
Appendix 1	Placement Policy for Temporary accommodation and Private Rented Sector Offers
Appendix 2	Summary - Placement policy for Temporary accommodation and Private Rented Sector Offers
Appendix 3	Equality Impact and Needs Assessment (EINA) - Placement Policy for temporary accommodation and Private rented sector offers

AUDIT TRAIL

Cabinet Member	Councillor Helen Dennis – New Homes and Sustainable Development	
Lead Officer	Cheryl Russell – Director of Resident Services	
Report Author	Roberto Bruni – Procurement Specialist	
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CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
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Assistant Chief Executive – Governance and Assurance	Yes	Yes
Strategic Director of Finance	Yes	Yes
Cabinet Member	Yes	Yes
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