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**To: Communities and Neighbourhoods Scrutiny Board 4**

**Date: 23 January 2020**

**Subject: Temporary Accommodation Charging Policy**

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**1 Purpose of the Note**

- 1.1 To inform and update Scrutiny Board 4 on progress made with the Temporary Accommodation Charging Policy Consultation.

**2 Recommendations**

- 2.1 Consider the information provided within this Briefing Note and its appendices.
- 2.2 Identify any Recommendations for the Cabinet Member for Communities and Housing for the improvement of the draft policy and supporting documents and/or consultation approach.

**3 Information/Background**

- 3.1 On 5<sup>th</sup> January 2020 there were a total of 689 households living in Temporary Accommodation (TA) provided by Coventry City Council: 390 were families with dependent children (lone and two parent families) and 285 were single people or childless couples. Temporary Accommodation used by the Council includes: B&Bs and hotels, hostels, private rented homes and Housing Association homes.
- 3.2 The majority of households placed into TA do not currently contribute towards the rental and Council Tax costs or the utilities (gas, water and electricity) they use. The Council also meets the full cost of storage of personal belongings.
- 3.3 The Housing and Homelessness service reported an overspend of £3 million in 2018/19, despite an additional £2.7 Million of resource. This overspend is set to increase unless the Council undertakes a range of activities to both reduce spend and increase income.
- 3.4 The Council are currently consulting upon the introduction of a 'Temporary Accommodation Charging Policy'. The proposed policy contains the following elements:
- **Utilities and Council Tax:** Making households in Temporary Accommodation responsible for the Council Tax and the utilities they use.
  - **Storage:** Households in temporary accommodation will pay to store their belongings.
  - **Licence Fee:** Households who are not entitled to full housing benefit because they work and/or have 'excess income' will be asked to make an affordable contribution towards the rent, through a licence fee.
- 3.5 If the policy, as it currently stands, is approved it is projected that the Council will save £400,000 per year through households paying for the utilities they use; £163,000 per year through households paying for their own storage and between £200,000 and £220,000 through the introduction of a licence fee (this is dependent on the preferred licence fee charge – a question in the consultation survey).

- 3.6 In addition to the economic case for change, a key policy outcome is that single people and families are tenancy ready by the time they move out of Temporary Accommodation and into Permanent Accommodation. To do this the Council will look to:
- Focus on independent living – single people and families will be able to manage their money effectively by the time they leave Temporary Accommodation
  - Provide Appropriate Support - Where single people and families experience financial budgeting difficulties support will be provided through the recommissioned homeless support service
  - Only charge proportionately - charging will be based upon what people can pay; the Council will not charge indiscriminately.
- 3.7 The Draft Temporary Accommodation Charging Policy can be found in **Appendix 1: TA Charging Policy: Pre-Consultation Draft** and the Key Changes Document can be found in **Appendix 2: Temporary Accommodation Charging Policy – Key Changes**.
- 3.8 **Reasons for Homelessness**
- 3.9 The main reason for homelessness for households owed a duty in Coventry is “Family no longer willing or able to accommodate” (18%), “Ending of an Assured Shorthold Tenancy by a private landlord” (15%) and “domestic abuse” (11%).
- 3.10 Rent arrears as a contributory factor to homelessness is not recorded in every case; it is only recorded as a sub-category in some reason for homelessness categories (e.g. end of Private Rented Tenancy). In these circumstances and where the field has been completed 17% have disclosed rent arrears.
- 3.11 Given the lack of reliable data around rent arrears as a contributory factor to homelessness, and any financial difficulties faced by households more widely, the full extent to which the introduction of a Temporary Accommodation Charging Policy may impact those in financial hardship cannot be easily identified using data sets, alone.
- 3.12 An initial equalities impact assessment has been carried out which explored the potential financial hardship that some individuals or groups may experience in detail and is contained in **Appendix 2: TA Charging Policy ECA – Part 1**.
- 3.13 Pre-consultation listening sessions took place in November 2019 with a wide range of third sector service providers who work with homeless households to help understand any potential impact but also to help in the development of the draft policy and the consultation approach.
- 3.14 The consultation has been designed to provide the Council with a richer picture around the impact and benefits the policy may have, which includes how it could exacerbate the financial difficulties some households may be experiencing.
- 3.15 The feedback received will be considered throughout analysis and solutions explored, such as the use of Discretionary Housing Payments and advice services.
- 3.16 **Consultation Approach and Responses**
- 3.17 Consultation started on 13th December 2019 with the publication of an online survey on the Let’s Talk engagement platform – a copy of the survey can be found in **Appendix 4 – Temporary Accommodation Charging Policy Consultation Survey**. Consultation will end on 7th February 2020.
- 3.18 Households in Temporary Accommodation were informed of the consultation on this date through letter and email (in cases where email addresses have been disclosed). Households in TA were given the option to have their say via an online survey on the ‘Let’s Talk’ website and/or through a focus group.

- 3.19 On 7<sup>th</sup> January 2020 there were total of 75 responses to the online survey - the majority came from Coventry Residents (44%) and Coventry City Council Employees (36%).
- 3.20 People living in Temporary Accommodation made up 13.3% of respondents which is only 1.45% of all households living in Temporary Accommodation. In addition, no one living in Temporary Accommodation has expressed an interest in attending a focus Group.
- 3.21 In order to increase the number of responses, the following activities will take place over the coming weeks:
- Visiting Officers working with homeless people will take out flyers and surveys with them to spread awareness of the consultation and respond to any queries.
  - Many of the families who work with an 'excess income' (and therefore most likely to be impacted) are being temporarily accommodated in Caradoc Hall. Flyers are being placed in Caradoc Hall and Officers will discuss the consultation with all new residents at the point of letting.
  - A focus group is being organised with survivors of domestic abuse, in partnership with Coventry Haven, to enable survivors to ask questions and have their say in a safe environment.

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**Appendix 1: TA Charging Policy: Pre-Consultation Draft**

**Appendix 2: Temporary Accommodation Charging Policy – Key Changes.**

**Appendix 3: TA Charging Policy ECA – Part 1.**

**Appendix 4: Temporary Accommodation Charging Policy Consultation.**