

10 February 2020

Name of Cabinet Member:

Cabinet Member for Housing and Communities – Councillor T Khan

Director Approving Submission of the report:

Director of Housing and Transformation

Ward(s) affected:

All

Title:

Updated Discharge into Private Rented Sector (PRS) Policy

Is this a key decision?

No - although the proposals affect more than two electoral wards, the impact is not expected to be significant.

Executive Summary:

In 2013 the Council agreed the Policy to Discharge the Main Homelessness Duty with an offer of accommodation in the Private Rented Sector. This followed new powers introduced by the Localism Act 2011 and a period of public consultation.

This policy has now been reviewed and technical updates made to take account of changes to legislation (most notably the Homelessness Reduction Act 2017) and the homelessness code of guidance. It is presented for approval by the Cabinet Member.

Recommendations:

The Cabinet Member is requested to:

- 1) Approve the updated policy which has been amended in line with technical changes to reflect updates to legislation and the code of guidance.

List of Appendices included:

Appendix 1 – Draft Discharge into PRS Policy (updated 2020)

Background papers:

None

Other useful documents

Report to Cabinet Member for Housing and Heritage 9 October 2013, 'Policy to Discharge the Main Homelessness Duty'.

<https://edemocracy.coventry.gov.uk/ieListDocuments.aspx?CId=567&MID=9749>

Coventry Housing and Homelessness Strategy 2019-24

https://www.coventry.gov.uk/downloads/file/30137/housing_and_homelessness_strategy_2019

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title:

1. Context (or background)

- 1.1 Following the Homelessness Reduction Act 2017, Local Authorities have a duty to prevent homelessness for those who are threatened with homelessness and relieve homelessness for those who are homeless. One of the ways authorities can end the prevention and relief duties is with the offer of a suitable 6-month Assured Shorthold Tenancy within the private rented sector. Authorities also owe certain applicants (who are homeless, eligible for assistance, in priority need and not intentionally homeless) the 'main housing duty' to secure suitable accommodation.
- 1.2 In 2013 the Cabinet Member agreed a policy to discharge the main homelessness duty with an offer of accommodation in the private rented sector providing a tenancy is offered for at least 12 months and the property is suitable. This decision was made following an 8-week consultation and formed part of the Coventry Tenancy Strategy 2013-18, which was approved by Council in January 2013. Since that time the Council's Housing and Homelessness Service has used the policy to make offers into the Private Rented Sector, especially as demand for social housing continues to outweigh supply.

2. Options considered and recommended proposal

2.1 Option 1 – 'do nothing'

- 1.1.1 This option would be to continue using the policy that was agreed in 2013 in its existing form. The policy would still allow for offers to be made into the Private Rented Sector to end the main homelessness duty.
- 1.1.2 This option is not recommended as changes to legislation and the homelessness code of guidance mean that several sections of the original policy are now out of date. The policy refers to legislation that has since been amended, most notably by the Homelessness Reduction Act 2017, and does not refer to the updated code of guidance. Furthermore, the original report recommended that the policy be subject to regular review, which is now overdue.

2.2 Option 2 (recommended option) – review and update the existing policy

- 1.1.3 This option would be to use the same basic policy as agreed in 2013, but with updates where necessary to the technical and legislative elements. The core purpose of the policy and much of the content would be unaltered as they are still relevant. The updated policy is included in **Appendix 1 – Draft Discharge into PRS Policy (updated 2020)**.
- 1.1.4 The review and update to the policy would include consideration of the Council's new duties under the Homelessness Reduction Act 2017 which introduced a duty to prevent homelessness for those who are threatened with homelessness and a duty to relieve homelessness for those who are homeless. Under the prevention (s195) and relief (s189B) duties, Local Authorities are required to take reasonable steps to help the applicant secure accommodation.
- 1.1.5 The updated policy would make clearer the definition of a 'suitable offer' and how this offer should be made, referring to the code of guidance, and more information on the Health and Safety standards required of Private Sector Accommodation. The policy would also include more detailed provisions on landlord responsibilities, the practicalities of making an offer to the client (including viewing the property) and make reference to the new homelessness service application and assessment processes.

3. Results of consultation undertaken

- 3.1 There has been no consultation undertaken as amendments to the policy are only technical to reflect changes to legislation and the homelessness code of guidance since 2013.
- 3.2 The introduction of the policy in 2013 was subject to an 8-week consultation as part of the introduction of the Tenancy Strategy and was supported by 72% of respondents.

4. Timetable for implementing this decision

- 4.1 If the amended policy is approved, it will be implemented with immediate effect following the call-in period.

5. Comments from Director of Finance and Corporate Services

5.1 Financial implications

The gap between the cost of temporary accommodation and housing benefit subsidy grant is met by the Council. The average cost to the council of a family household in temporary accommodation, at the end of December 2019, equated to just under £14K per annum. This will obviously vary dependent on the size of property. Continued use of a PRS policy and scheme will allow the council to avoid cost of up to £14K per household by not using temporary accommodation. The cost avoidance will be reduced by any costs that would be involved in administering a PRS scheme.

5.2 Legal implications

Under Part VII of the Housing Act 1996, the Council has a statutory duty to provide accommodation to eligible households, which are in priority need and unintentionally homeless. The provisions under the Localism Act 2011 enabled the Council to discharge that duty by making an offer of suitable accommodation in the private rented sector.

The Council implemented the policy in 2013, following Consultation, and it has been used intermittently since then. The attached policy has been reviewed and updated to take into account changes in legislation and Council practice.

Since the Policy was implemented in 2013, The Homelessness Reduction Act 2017 came into force on 3 April 2018. It has made significant changes to Part 7 of the 1996 Act. Its main effect is to place increased duties on local authorities to assess an applicant's needs and to prevent and relieve homelessness. It should be noted that the changes introduced under the Act will not apply to an applicant who applied as homeless before 3 April 2018.

The Homelessness Code of Guidance for Local Authorities is issued by the Ministry for Housing, Communities and Local Government (MHCLG). It provides statutory guidance on how to interpret and apply the homelessness legislation and contains details of good practice that local authorities should adopt. It is not legally binding but local authorities are required to have regard to it. Failure to have regard to the current Code can be used as a basis for a judicial review challenge. The current Code came into effect on 3 April 2018. The previous Code (and supplementary Codes) should apply to applications made before 3 April 2018.

In discharging its functions, the Council must also have due regard to the Public Sector Equality Duty in s149 Equality Act 2010. S149(1) provides that, in exercising its functions, a public authority must have due regard to the need to (a) eliminate discrimination,

harassment, victimisation and any other conduct that is prohibited by or under the 2010 Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

6. Other implications

None

6.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)?

This policy contributes to the following objectives in the Council Plan:

- ‘Reducing the impact of poverty’ – by supporting people who are homeless to secure suitable and sustainable accommodation. Evidence shows that secure housing can lift people out of poverty and reduce the wider impact of poverty on their lives
- ‘Improving health and wellbeing’ – by providing safe and secure housing to promote independence, which evidence shows is one of the key wider determinants of health and wellbeing
- ‘Protecting our most vulnerable people’ – by offering support and guidance to people who are homeless or threatened with homelessness, ultimately helping them to secure permanent accommodation
- ‘Making savings so that we can support frontline services’ – by making offers into the private rented sector the Council reduces the number of people in expensive Temporary Accommodation. This saves money that can be better used to fund activities that prevent homelessness in the first place
- ‘working together with neighbours and partners across the voluntary, public and private sectors’ – this policy requires the Council to work with private accommodation providers to form relationships that create good outcomes for vulnerable residents.

6.2 How is risk being managed?

1.1.6 A key risk is that offers into the Private Rented Sector may not result in sustainable tenancies, with clients finding themselves homeless or threatened with homelessness again after their homelessness duty is discharged. To mitigate against this risk all members of the Housing and Homelessness Service are trained to ensure that any accommodation secured for homeless applicants is suitable. This includes consideration of the accommodation’s physical standard, health and safety requirements, ensuring that landlords are fit and proper people, the location of the accommodation and its affordability to the client.

1.1.7 The Housing and Homelessness Service can see whether clients approaching the service have done so previously and access their full case history. They also monitor the overall re-approach rate, which is the percentage of clients accessing the service who have previously received assistance. This will be used to track whether the policy influences the overall re-approach rate of clients who are made an offer into the Private Rented Sector. Due to the mitigation in 6.2.1 above, we do not expect re-approaches to increase, but tracking this data will flag if there is an issue with the sustainability of tenancies long term.

6.3 What is the impact on the organisation?

Staff will be briefed on the updates to the policy and processes and procedures amended accordingly. The relevant training on legislation and the code of guidance is already in place.

6.4 Equality and Consultation Analysis (ECA)

As this policy is currently in operation there will be no additional impacts on protected groups and there is no requirement of an ECA. For information, a breakdown of characteristics for households in Temporary Accommodation is shown below.

Age (of all household members, not only the main applicant):

Age	Percentage of total (%)
Under 18	41
18 to 27	20
28 to 37	20
38-47	12
48-57	5
58-67	2
68-77	1
78-87	Less than 1

Disability (of main applicant only):

18.2% of main applicants have disclosed a disability. A large number of applicants choose not to disclose whether they have a disability or not.

Marriage and Civil partnership:

85% of main applicants are not married or in a civil partnership.

Pregnancy and Maternity:

2% of main applicants in temporary accommodation are pregnant. The data does not account for other household members who may be pregnant.

Race:

Summary ethnic groups	Percentage of total (%)
White British	60.7
White other	5.7
Asian	7.0
Black	16.3
Other/not stated	10.3

Religion:

Religion	Percentage of total (%)
No religion	36
Christian	28
Other	4
Muslim	10
Sikh	1
Hindu	Less than 1
Buddhist	Less than 1
Jewish	Less than 1
Not disclosed/not known	18

Sex:

45% of main applicants are women and 55% are men.

Sexual Orientation:

The proportion of people recorded as 'LGBO - Lesbian, Gay, Bisexual or other' is 5%. For 7% the figure is unknown or they preferred not to state.

Gender reassignment:

The Council's main homelessness and housing benefit systems do currently not capture any information on gender reassignment, so it is not possible to publish a breakdown here.

This policy primarily affects homeless people who are owed a main housing duty, which are those applicants who are found to be homeless, eligible for assistance, in priority need and not intentionally homeless.

If accommodation in the private rented sector is offered, it must be suitable for the applicant's household (including considerations of affordability, location, condition, size etc.). Applicants have the right to appeal the decision to discharge the main housing duty with such an offer. The Council also retains the option to bring the main homelessness duty to an end with the offer of a social tenancy if the private rented sector is not suitable given the household circumstances.

6.5 Implications for (or impact on) climate change and the environment

None

6.6 Implications for partner organisations?

None

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