

Subject:	Allocation of Temporary Accommodation Policy		
Date of Meeting:	23rd September 2015		
Report of:	Acting Executive Director Environment Development & Housing		
Contact Officer:	Name:	James Crane	Tel: 29- 3316
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Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The Council has a number of statutory duties to accommodate homeless households either on an interim basis, pending assessment of duties owed, or an on-going basis if the conclusion is that a permanent duty is owed. Temporary Accommodation (TA) is provided on a corporate basis not just for statutory homeless households but also for households who are referred for accommodation by Children's Services and by Adult Social care when the need arises.
- 1.2 Over the past couple of years the local housing market has become more expensive and projections are that this trend will continue. Due to restrictions on the levels of housing benefit coupled with the benefit cap, the ability of households to afford rent levels has become more difficult.
- 1.3 As a result affordable TA is increasingly difficult to procure within the city boundaries and we are therefore procuring accommodation further away in areas where the cost of housing is less than it is in the city.
- 1.4 In a recent Supreme Court case, *Nzolameso v Westminster City Council* [2015] UKSC 22), it has been stated that where a local authority is unable to accommodate homeless households in its own local authority area then it should have a policy that has been agreed by Members to underpin its allocation process and that the safeguarding needs of the children in the household should be considered as part of the assessment process.
- 1.5 This report outlines how the council will allocate TA, within and outside the city, and presents the policy for adoption (Appendix 3)

2. RECOMMENDATIONS:

- 2.1 That the Housing Committee adopts the Allocation of Temporary Accommodation Policy set out in Appendix 3.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 Temporary accommodation is provided on behalf of several departments, if we have reason to believe that a household may be homeless, eligible and in priority need, as defined by homelessness legislation. It must also continue to provide accommodation to households that have been accepted as homeless while longer term accommodation is

found or until the duty towards the household has been discharged in one of the ways contained in the Housing Act 1996 (the Act).

- 3.2 Where the council does not have a statutory homelessness duty to accommodate, because an applicant is ineligible or found to be intentionally homeless or the homelessness duty has been discharged, there may still be other obligations owed to the household under which the local authority wishes to provide accommodation for example under the Childrens Act or Care Act. This decision is made by relevant teams in the council, for example Childrens Services or Adult Social Care who then request TA be provided under a service level agreement (SLA) with Housing.
- 3.3 The council is facing increasing difficulties in procuring affordable TA for homeless households in the city due to the high level of demand for rental housing and the increasing gap between rent levels and local housing allowance limits (housing benefit).
- 3.4 The only way that the council can place homeless households within the city is by subsidising the cost to the household from the general fund. In 2014/15 the overall TA budget was over-spent by £0.507m. For 2015/16, this budget is still under pressure and is currently forecast to overspend by £0.397m. There are also pressures on other departmental budgets where they have to provide accommodation
- 3.5 Housing are pro-actively working with Childrens Services and Adult Social Care to look at how we can do more to prevent households becoming homeless and hence avoid the need to provide accommodation. However, with the pressure and competition for accommodation in the city, compounded by welfare reforms and roll out of Universal Credit expected in 2016, the potential for more vulnerable households to become homeless is increasing. This work includes looking at the feasibility of co-locating Housing Options staff within children's service early intervention service and also to co-locate within the Hospital Discharge team at the Royal County Hospital.
- 3.6 Our research has identified that more affordable accommodation is located outside the city. Further details are set out in Appendix 2. There are transport links in the greater Brighton area, enabling people to live outside the city and commute for work or other purposes. The Greater Brighton Economic Board are working to further improve transport connectivity across the Greater Brighton travel-to-work and travel-to-learn area.
- 3.7 To ensure value for money to the authority within the resources available, and to comply with the law this report recommends the adoption of a policy that; following an assessment process; and depending on availability and the resources to fund the accommodation; that accommodation may be provided outside of the city where circumstances warrant it. The policy sets out how the council will prioritise the allocation of accommodation as set out in Appendix 3. The policy further sets out which cases may be prioritised to be transferred back to the city if there is a need to place outside of the city due to the lack of accommodation at any given time.
- 3.8 Housing Needs Division has been undertaking Business Process Improvement (BPI) planning of the operational practices to look at how we deliver our services to the public. Officers have been actively involved at looking at our delivery methods and especially to look at areas where there is any duplication in process or handovers between one section and another. The service is now at a stage where it is looking to pilot new way to deliver service in a more holistic manner. At the heart of this process has been delivery of services that benefit the customer. The new delivery model looks at customers having fewer officers involved in the assessment their case. The changes will also look to provide improved front line customer contact by merging staff from different teams into a front facing contact service and merging staff to improve telephone access.

At the end of the Pilot there will be an evaluation of the changes to make sure that they are fit for purpose and bring additional value to our customers.

3.9 Legislative frame work

- 3.10 When a person is placed under a homelessness duty there are a number of legislative and other factors, such as the Homelessness Code of Guidance and case law that the council must have due regard to in the performance of its statutory duties. Case law in the area has been established in a recent Supreme Court case (Nzolameso v Westminster City Council [2015] UKSC 22). This area of law is complex therefore an analysis is attached at appendix 1.

When the council discharges any of its functions to homeless households it must have regard to its own Homelessness Strategy. The Council adopted its current Homelessness Strategy in June 2014. In the strategy the issue of placing people out side of its district was acknowledged.

“The Council has had to increasingly look to procuring accommodation out side of the City boundaries. Primarily these properties are procured in the Broad Market Rental Area (BRMA) which covers the surrounding areas of Shoreham, Peacehaven & Newhaven.

The private rented stock in these areas is limited and this may, over the lifetime of this strategy, mean that the Council has to look further afield to the BRMA’s in Eastbourne, Worthing or further afield. The Council is mindful of the needs of people to remain as close to the City as possible but is also mindful of the needs to have self contained accommodation that is affordable to the individual households income.”

The Council is under a duty under the Children’s Act 2004 when exercising any of its functions to “having regard to the need to safeguard and promote the welfare of children” (Section 11(2)). The local authority must in discharging their duty under this section have regard to any guidance given to them for the purpose by the Secretary of State. The current code of guidance is “Working together to safeguard children”: March 2015.

The Council is under a duty under the Care Act 2014 when carrying out any of their care and support functions in respect of a person. This may sometimes be referred to as “the wellbeing principle” The wellbeing principle applies in all cases where a local authority is carrying out a care and support function, or making a decision, in relation to a person. The local authority must in discharging their duty under this section have regard to any guidance given to them for the purpose by the Secretary of State. The current code of guidance is “Care and Support Statutory Guidance Issued under the Care Act 2014”

4.0 First Placement Trend

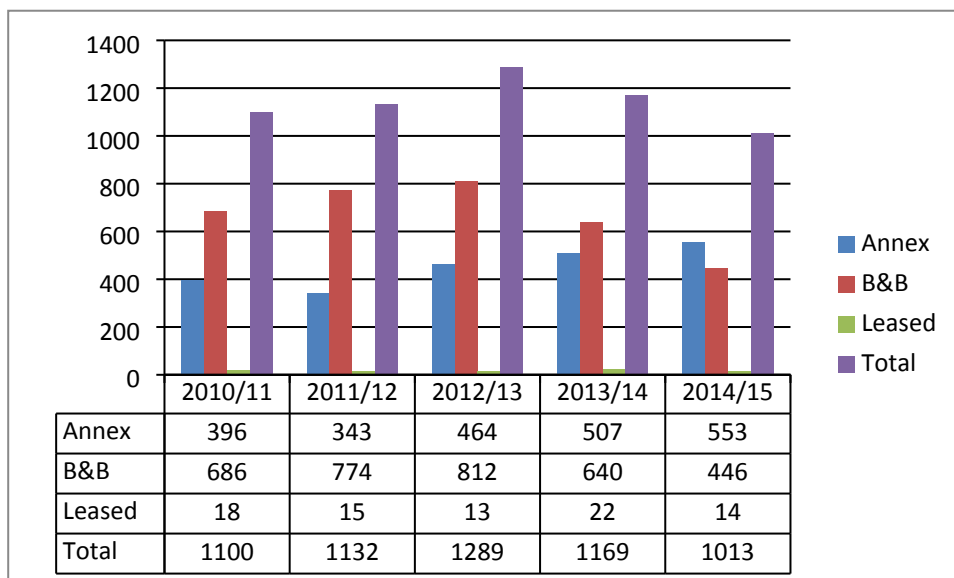


Table 1

4.1 The table above shows that in the last five financial years the requirement has been in excess of 1,000 initial placements into B&B and annex accommodation each year to cope with the demand placed on the council to provide accommodation for both statutory homeless clients and others placed by other departments. The use of blocked booked accommodation (B&B) has declined however the use of self contained leased accommodation has increased. The use of nightly booked short-term self-contained furnished flats, known as “annexes” has remained relatively stable. Some bed and breakfast accommodation is block book to ensure we have a ready supply but other bed and breakfast accommodation is booked on the day. B&B booked on the day is the most expensive form of accommodation. The council subsequently moves households into longer term leased accommodation as can be see in table 2 below.

Location of placements by local authority area over the past 5 years.

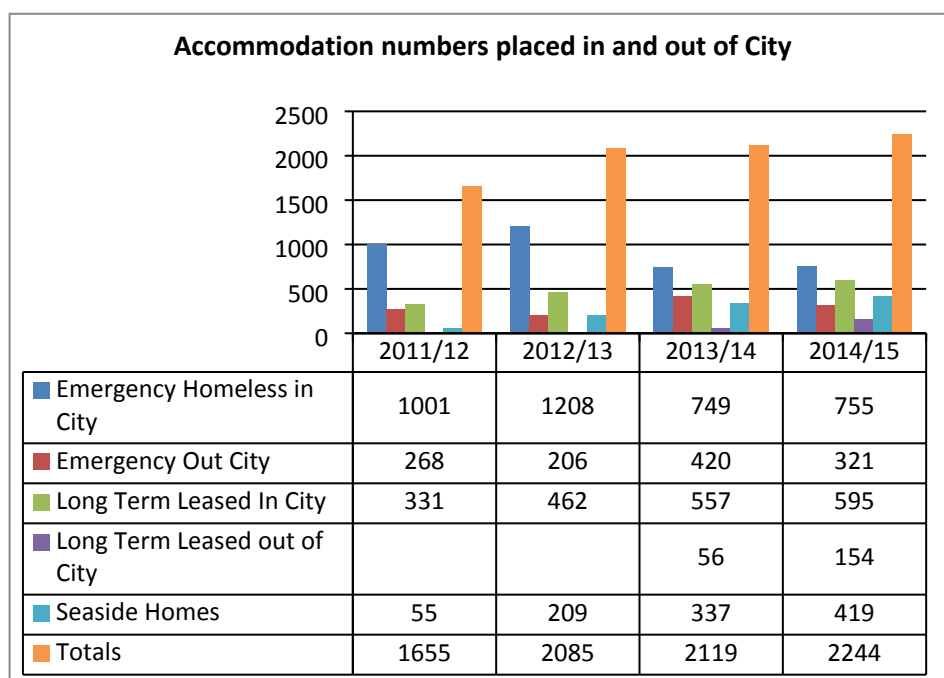


Table 2

- 4.2 Table 2 looks at some of the available data that shows the number of units of accommodation that has been procured both within the city boundaries and beyond. A high proportion of households are placed within the city boundaries. Households placed into emergency accommodation are brought back to the city when supply allows. Long term leased accommodation however means that a household may be placed outside of the city for the duration of the lease, unless they are successful in obtaining permanent accommodation through the Housing Register.
- 4.3 In 13/14 and 14/15 we placed an increased number of households outside of the city some of which are further away from the city than previously. Traditionally the council has used accommodation in Worthing and Eastbourne for emergencies. In the past year emergency accommodation has had to be sourced further afield in Horsham, Crawley, Redhill, Horley and Gatwick. As accommodation becomes more difficult to source locally the council may not be limited to these areas but further afield, in future.
- 4.4 Longer term leased accommodation is currently acquired in surrounding local authority areas within the Broad Market Rental Area. This is the area that is used by the DWP for the purposes of setting LHA levels. They are set by the Valuation Office Agency who use the proximity of the area, transport links, where people tend to travel to work or to socialise. Once again the council may be obliged to look further afield to source longer term TA if it is not possible to find accommodation nearer to the city that remains affordable for the council and for customers. This was acknowledged in the recent Homelessness Strategy 2014 – 2019.
- 4.5 The council has procured most of its long term leased accommodation out side of the City in the Lewes District Council area. The council has a good working relationship with Lewes Council and has developed an agreement whereby we look to procure accommodation in their area and offer any accommodation sourced to them to assist them in discharging their own housing duties. If Lewes do not require the unit of accommodation then this is used by the council to place one of our own applicants.

Types of accommodation used over the last 5 years.

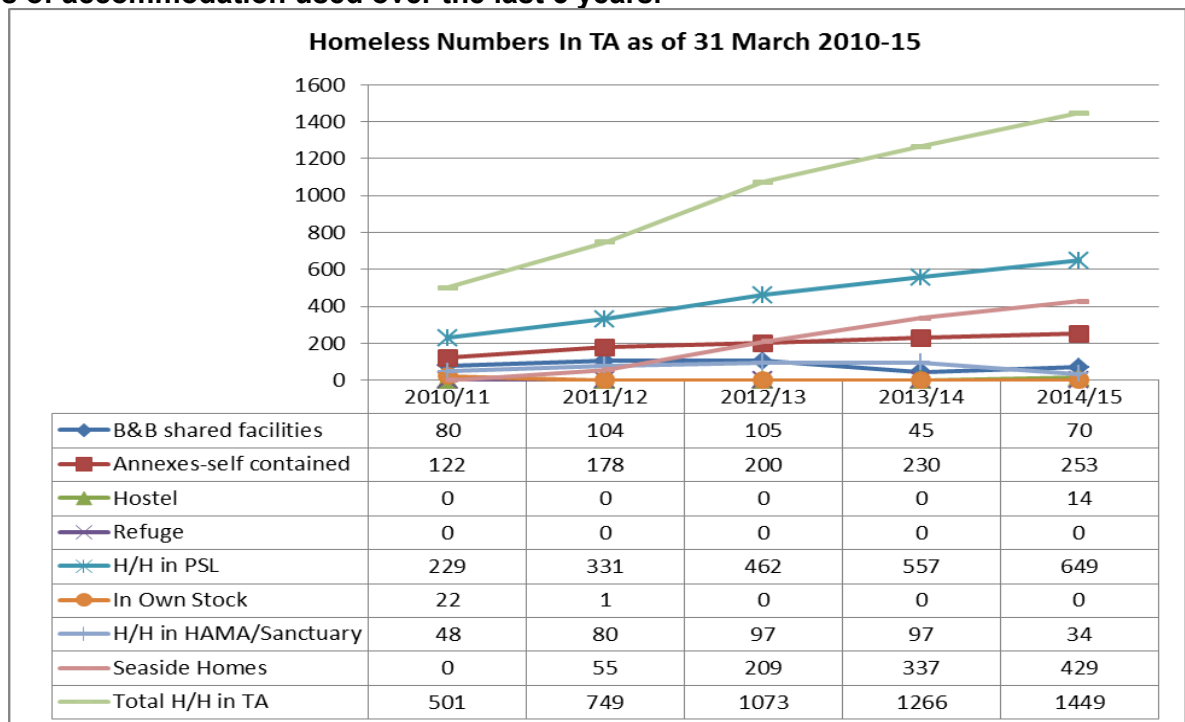


Table 3

- 4.6 In 2010 the Council achieved its target of reducing the numbers of statutory homeless households in TA by 50% to 333. Since this date there has been a substantial increase in the use of TA. The latest figures show that there were 1449 statutory homeless households in TA at the end of the last financial year. This represents a 335% increase in the use of accommodation for homeless household alone in the past five years. Some of the reason for this is because the private sector rents are high and that accommodation becoming more difficult to access for our households, and the priority for limited social housing reduced so that households didn't use the homeless route as a way to leapfrog into social housing.
- 4.7 The council is legally not permitted to keep statutory homeless households where there are children or someone who is pregnant in bed and breakfast with shared facilities for more than 6 weeks. This statistic is reportable to the Department of Communities and Local Government. The Council has managed not to breach this target.
- 4.8 It can be seen from table 3 above that the vast majority of household are accommodated in self-contained accommodation most of which is in long leases and also with Seaside Homes properties. The table shows the number of household in different types of accommodation at the end of each of the last five financial years.

Cost and supply of temporary of accommodation.

- 4.9 The council has to pay landlords for the use of accommodation. The costs are offset against the income the council receives in rent from the tenant. A high proportion of households in TA are receiving housing benefit. The level of rent set is related to the amount of housing benefit that the household is able to receive. This is limited by the DWP to 90% of Local Housing Allowance for the Broad Market Rental Area as set in 2011 plus a fixed amount of costs for management and maintenance (currently £60 per week).
- 4.10 Until three years ago the council made a surplus income against the expenditure of rents owed. The surplus was used to assist in the management of temporary accommodation, as housing benefit included an allowance for management and maintenance. However as the cost the council has to pay to owners has increased the rents we are able to charge has remained static and hence the amount of surplus from leasing has substantially reduced. . 2014/15 there was an overspend of £0.507m for TA. This is attributable to many of our cheaper leases coming to an end and being returned to owners who have requested them back so as to sell them and the cost of replacement properties at a higher price.

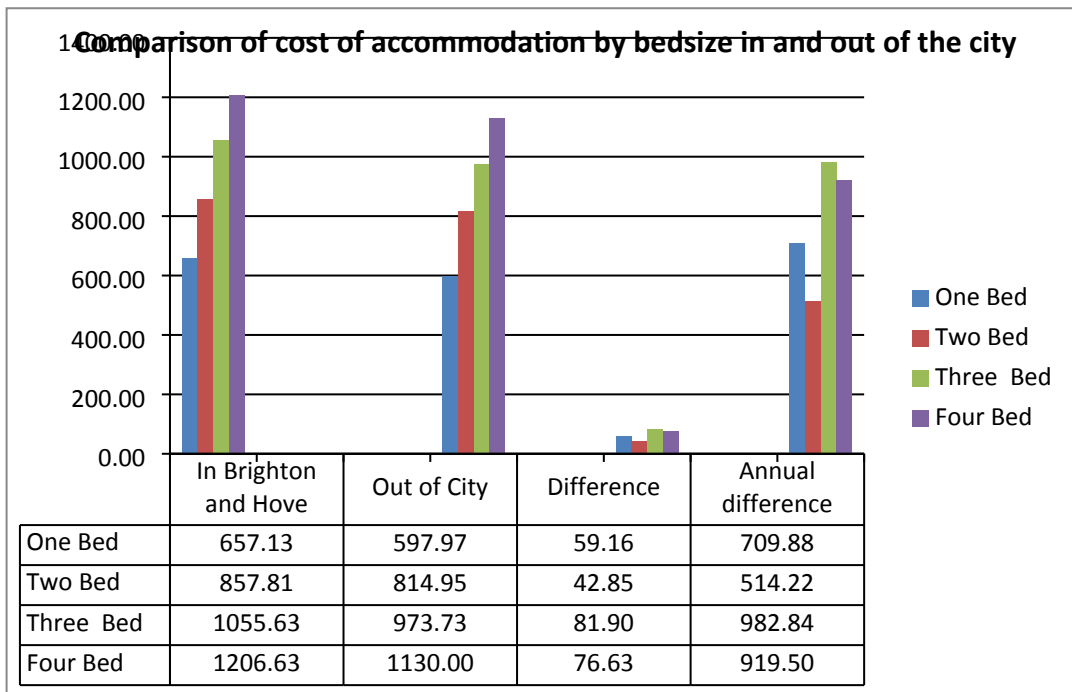


Table 4

- 4.11 The table above shows the current average cost of accommodation that is currently leased in and out of the city. The cost of properties in the city includes those that have been leased to the council for a number of years. As these leases come to an end the council has to pay increased rents to extend the leases and therefore the cost differential will potentially increase over the next few years as we seek to maintain some properties within the city.
- 4.12 One of the major factors that is causing the pressure in the TA budgets is the cost of accommodation that is booked on a nightly basis in bed & breakfast establishments and sometimes in hotels (spot purchase). The average cost of two bedroom accommodation leased from a private landlord is £28 per night in the city and £26 per night out of the city. The average cost of spot purchased accommodation is £48 per night equating to £336 per week. When account is taken for the income that the council can receive in housing benefit there is an average loss of £140 per week for each person that is placed in spot purchased accommodation.
- 4.13 The best way to reduce costs in the TA budget is to procure more long term leases to reduce our reliance on expensive spot purchase accommodation. Supply of this type of accommodation is however difficult to source in the city as landlords can find a ready supply of tenants willing to pay high rents. This situation is exacerbated by people leaving high cost areas in London to find cheaper housing solutions along the south coast. Sourcing accommodation in areas that we have traditionally found a supply is under pressure for the same reasons along the coast and may force the council to look further away in future to meet our statutory obligations.

5.0 Budget position.

- 5.1 For 2015/16, the budget is currently forecast to overspend by £0.397 million as reported to Policy and Resources Committee on 9th July 2015. The placing homeless people outside of the city in accordance with this policy is one method of reducing costs.

6.0 Impact of welfare reform & costs of housing.

Benefit household cap.

6.1 In 2012 the government introduced a cap in the total amount of benefit households could receive of £500 per week for families and £350 for single people. This has been implemented through the HB system so that, when a cap is applied, the HB is reduced to result in a total benefit payable. This policy has impacted disproportionately on larger households and in areas with high housing costs such as Brighton & Hove. The impact of the cap is that those people affected in the PRS may become homeless and need TA. The reduction in the amount the council will receive will be reduced for these households, reducing our income.

6.2 The policy of capping total benefits will be continued following the implementation of Universal Credit.

6.3 Capping of Local Housing Allowance (LHA) rates.

6.4 Since 2010 the government has changed the levels at which it pays housing benefit for households in the private rented sector. Initially it restricted the payment of benefit to the rent levels of the cheapest 30% of tenancies in an area however since 2013 the level has been fixed and rents increased annually based on the consumer price index only (CPI) This will mean an increase in LHA rates of 1% (4% for shared and 4 bedroom accommodation) from April 2015. This rate has fallen behind the rate of inflation of rents which has meant that landlords are now able to get significantly more rent through the “professional” market than by letting to households on HB.

6.5 For all property sizes except studio flats (which receive the 1 bedroom flat rate), the average cost of renting exceeds the Local Housing Allowance:

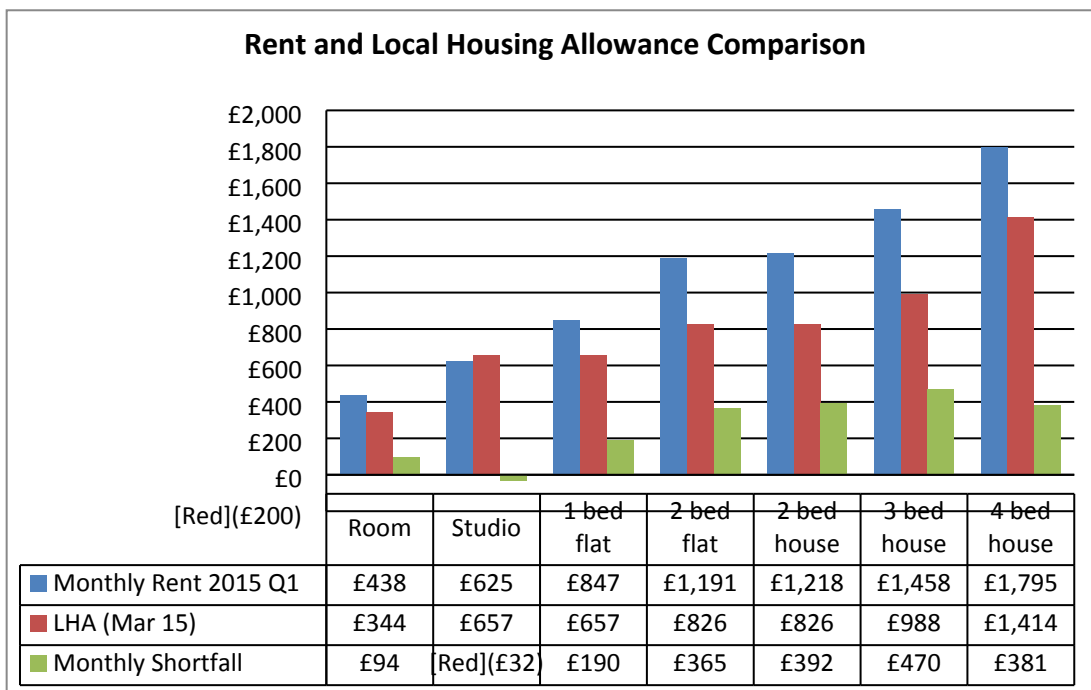


Table 5

6.6 As the Local Housing Allowance is based on household size, it impacts on households rent affordability in different ways in Brighton & Hove. Based on an analysis of the properties available to rent in the city within LHA limits at rightmove.co.uk on 31 March 2015:

- Single people under 35 and others sharing would find 4 affordable homes
- Single people over 34 and couples without children would find 49 affordable homes (44 of these being studios)

- Families with children would find 10 affordable homes (however, 7 of these are 4 beds which were mostly advertised as student lets)

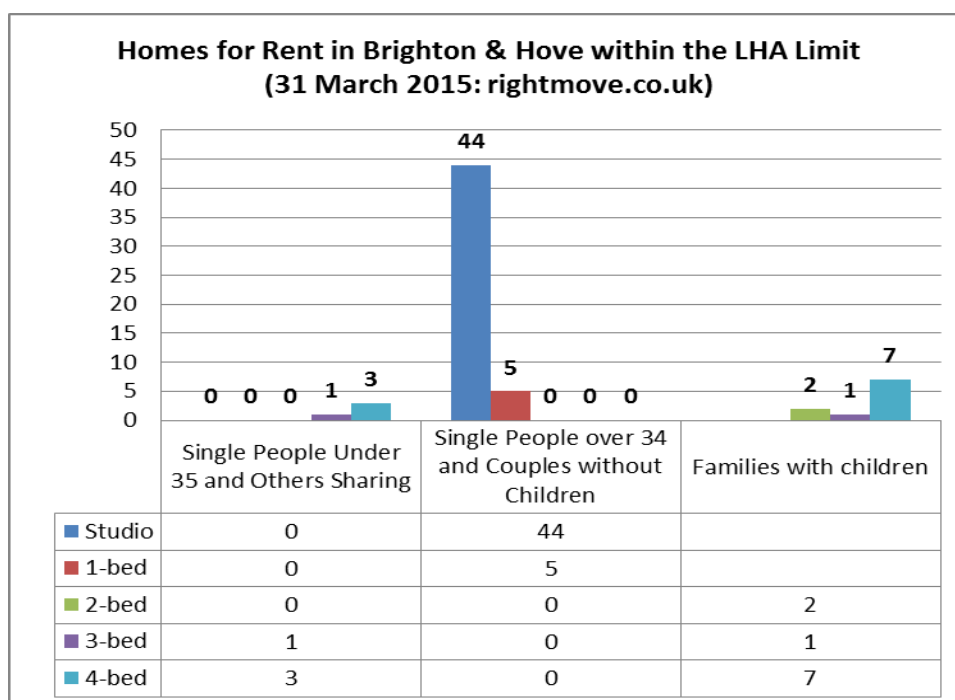


Table 6

6.7 Discretionary Housing Payment (DHP)

- 6.8 The DHP fund was initially set up in 2001/2 to replace the previous Housing Benefit (HB) protections for tenants receiving less HB than their rent. The original core fund was £20m nationally and the DHP fund stayed at this figure until 2011/12.
- 6.9 Since 2011/12 the Government (Department for Work & Pensions – DWP) has added to the DHP fund to mitigate the impact of Welfare Reform. However for the current financial year the amount available has been reduced significantly and this is likely to continue in future years.

BHCC reduction in DHP allocation for 2015/16

	2014/15	2015/16	Change
Core funding	£267,098	£101,588	-61.97%
Local Housing Allowance (private rented sector)	£318,519	£191,662	-39.83%
Removal of the Spare Room Subsidy (RSRS) (Bedroom Tax)	£143,196	£145,880	+1.87%
Benefit Cap funding	£281,643	£171,954	-38.95%

- 6.10 Whilst this is how the DWP determine the allocation of DHP, the amounts are not ring-fenced and it is down to individual councils to decide how to prioritise these payments. DHP funding has been used to support the subsidy to households in the private rented sector in accommodation where the level of HB does not meet the rent level. As this funding is withdrawn however the council's ability to provide this subsidy will diminish. There is a risk that as this funding ceases that there will be a corresponding rise in homelessness as a result.

7.0 Impact on children & Childrens Services

7.1 The placement of families in locations away from the city will have a number of impacts on families and the services that support them.

7.2 Impacts include:

- families may refuse to go to the location offered to them. In many cases they may “make do” with friends and relatives thus increasing the levels of overcrowding with the resulting impact on children.
- Families may refuse offers of TA outside of the city and the housing duty may cease. From past experience and number of the families will approach CYC for assistance as children in need. CYC are likely to determine that the children are in need due to their lack of accommodation. In order to avoid a cost shunt from housing to CYC it will be necessary to ensure that the joint assessment carried out by Housing and CYC effectively discharges both duties and that the accommodation remains available until the decision is made.

7.3 The placement of families in other local authority areas may have an impact on the relationship with other local authorities. We need to avoid the allegation that BHCC are exporting our problem families into their areas. This allegation will be partly avoided by demonstrating that we have a robust assessment process that seeks to keep households with high needs within the city. We will also seek to agree placement protocols between BHCC and the host authority to ensure information is exchanged and services are not disrupted. There may be impacts on health; education and employment.

7.4 The movement of families to other locations could have an impact on the social networks of those families. However by prioritising those most at need to stay in the city then those most needing to maintain links will be able to do so. For the families who do have to move some distance then they will have to establish new links in the new areas. On an individual basis we will develop a support and resettlement package will be put in place to enable them to settle as quickly as possible.

7.5 Impact on vulnerable adults & ACS

7.6 The ability of ACS to provide support to vulnerable adults will be made more difficult if they are located some distance from the city taking people away from, their existing support networks, and health and treatment providers. If the vulnerable adult is in need of funded Community Care Support services then the receiving authority will be reluctant to pick up the costs due to the temporary nature of the accommodation and therefore may not be deemed as being Ordinarily Resident out of the city.

8.0 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

8.1 The Council could decide that it would prefer the option to acquire more properties within the city. This option would require additional funding to meet the additional cost of procuring accommodation within the city boundaries. There are also risks that due to the high rents that owners can charge that the council would not be able to acquire a sufficient number of properties to meet to satisfy both our statutory duties and demand from other services. The budget pressure in the last financial year was £507,000 in housing and this would also significantly raise costs for other departments.

8.2 The Council has the power to discharge its statutory homeless duty with an offer of accommodation to the Private Rented Sector. This activity could be increased but a

major barrier is again the high cost of renting and the availability of accommodation that is within the local housing allowance rate.

- 8.3 Increase lets to social housing stock.
- 8.4 Buy off plan for use as TA. This option is being pursued however it is likely to take two years before properties are available for letting and it is unclear at this stage whether the quantity of properties coming through this route will be sufficient to meet the expected demand . The time lapse of two years before any properties would be available includes consideration of working up such a scheme and notes that buying off plan means that the council would have to wait for the properties to be built.

9. COMMUNITY ENGAGEMENT & CONSULTATION

- 9.1 As a unitary authority the council has adopted an approach to procure accommodation to meet its statutory obligations through the housing department who have the knowledge and expertise in this area. This has the advantage of different departments not chasing the same pool of accommodation and not paying increased rents demanded that it may do if the accommodation was procured by each department themselves.
- 9.2 As a result of the increase in demand for accommodation by both housing and other departments there have been a number of meetings to consult on how the council can take forward the issues that arise in allocating temporary accommodation, especially as more accommodation will be procured outside of the city in future in order to satisfy demand across the council. This policy has been developed with Adult Social Care and Children's services departments.
- 9.3 Many aspects of our work now involve developing shared outcomes to common problems in the greater Brighton Area. This report has been sent to board partners with a view to following this up with a wider discussion on the pressures that we are facing as this feeds into the discussion about housing affordability, travel and work-to-learn.

10. CONCLUSION

- 10.1 To manage the budget position going forward we need to accommodate some households outside of the city with exceptions set out in the policy. This will run alongside improved joint working across the council to prevent homelessness at an earlier stage and a joined up response to households to consider their resources and the availability of affordable housing options which may also be outside of the city.
- 10.2 Overall the aim is to manage the demand for temporary accommodation at a time of budget reduction. However there will still be a need for temporary accommodation which is becoming increasingly unaffordable in the city. We need to procure and place households in good quality accommodation and this is increasingly out of the city.

11.0 FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 11.1 For 2014/15, the temporary accommodation and allocations budget over spent by £0.507 million. For 2015/16, the budget is currently forecast to overspend by £0.397 million as reported to Policy and Resources Committee on 9th July 2015. This report requests that Housing and New Homes Committee adopts the Allocation of Temporary Accommodation Policy set out in Appendix 3 which includes measures to allocate temporary accommodation that is outside of the City if the need arises. This accommodation is cheaper and, although difficult to quantify at this stage, this measure

will assist in reducing the spend for this service within the context of the growing need for temporary accommodation and the reducing level of resources available for the Council.

Finance Officer Consulted: Monica Brooks

Date: 27/08/15

Legal Implications:

- 11.2 The legal duties creating the powers to accommodate are set out in detail elsewhere in this report – they are very comprehensive and reflect fully what has been determined in a recent set of cases before the Courts. Their impact is binding at this stage. The clear message is that there does in fact need to be a ‘policy’ in order that the individual circumstances of an applicant are taken in to account when a decision as to where a placement is made. This report identifies many of the relevant factors looked at as part of the cases before the Court. There will be circumstances where other exceptional circumstances apply and these will have to be looked at on a case by case basis.
- 11.3 In many cases where there is a policy being considered or being reviewed consultation on that policy is best practice. In this case there is no clear group to consult with as it is not possible to foresee who will become homeless other than in broad categories. It would be a useful exercise to get input from a limited number of advocate organisations who support the homeless who object to their offer. So far this has been Shelter; BHT and a few local solicitors. If the policy could be shared with them their contribution might be useful.
- 11.4 The policy will have to be kept under review and may have to be amended from time to time dependant on what the outcomes may be.

Lawyer Consulted: Simon Court

Date: 0.9.15

11.5 Equalities Implications:

The sample size of people currently accommodated out of the city is small. It is therefore difficult on such a small sample size to make any determination of the impacts by equality strands. Early data show that the majority of household placed out of the area has a lead applicant from a white British background. This information is consistent with what we know of household that are making homeless application.

Some of the other equality strands such as disability are again very small in numbers. It is however noted that people with high needs such as physical or mental disabilities are for more likely to be accommodated within the city as this is how the policy is designed.

As more properties are acquired out of the city the numbers will be statistically more relevant. The Housing Department carries out regular equality impact assessments across the service and this will be one are that is monitored to see if there is any bias in any particular equality strand.

11.6 Sustainability Implications:

There are no other sustainability implication that have not been addressed in this report

11.7 Any Other Significant Implications:

None

SUPPORTING DOCUMENTATION

Appendices:

1. Legal background
2. Housing Prices and Affordability in Brighton & Hove
3. Temporary Accommodation Placement Policy.

Documents in Members' Rooms

1. None

Background Documents

1. None

Crime & Disorder Implications:

- 1.1 NONE

Risk and Opportunity Management Implications:

- 1.2 *None*

Public Health Implications:

- 1.3 NONE

Corporate / Citywide Implications:

- 1.4 None

Appendix 1

Legal background.

The Council has to provide temporary accommodation for people who apply as homeless; if it has reason to believe that the household may be homeless, eligible and in priority need, as defined by homelessness legislation. It must also continue to provide accommodation to households that have been accepted as homeless while longer term accommodation is found or until the duty towards the household has been discharged in one of the ways contained in the Housing Act 1996 (HA).

When offering accommodation to homeless applicants there are a range of statutory provision that apply to the offer of accommodation and specifically if an offer of accommodation is out of the city. In addition there is statutory guidance issued by the Secretary of State for Communities and Local Government

Section 205 Discharge of functions

Section 206 Discharge of functions by local housing authority

Section 208 Discharge of function out-of-area placement

Section 210 Suitability of accommodation

The council must of due regard to Guidance by the Secretary of State, at which time the following guidance and statutory instruments are in force.

Chapter 17, Homelessness Code of Guidance for Local Authorities (July 2006),

Homelessness (Suitability of Accommodation Order 1996) (SI 1996/3204),

Homelessness (Suitability of Accommodation (England) order 2003 (SI 2003/3326),

Homelessness (Suitability of Accommodation (England) Order 2012 (SI2012/2601),

Supplementary Guidance on the homelessness changes in the Localism Act 2011

Homelessness (Suitability of Accommodation (England) Order 2012 (8 November 2012).

The council should take into account of the body of case law this includes

Nzolameso v City of Westminster 2015

R (Sacupima) v Newham 2001 (Impact of schooling, employment and medical factors)

R (Calgin) Enfield LBC 2005 (Council entitled to take into account resources)

R (Yekini) v Southwark LBC 2014 (Homeless duty not discharged by inability to meet rent)

Although placements that are not made under homelessness provisions are not subject to the same statutory framework there are other provisions that will apply. The Housing Department is under an obligation to cooperate other departments in discharging their functions. This obligation is to assist has to be reasonable under the circumstances.

Children's Act 2004 Section 11

Care Act 2015

Appendix 2

Costs of private renting in the city and other locations in the sub-region and the UK.

Despite the increasing costs of housing in the city the demand for private renting has increased in recent years.

Costs of private renting in B&H over the past 5 years by bedsize.

Our private rental market monitoring¹ is a representative sample of properties that have been advertised in the city during the quarter in the Latest Homes magazine and website:

Average Monthly Rent	2010 Q1	2011 Q1	2012 Q1	2013 Q1	2014 Q1	2015 Q1	Total Increase	Average Annual Increase
Room	£363	£372	£391	£416	£450	£438	21%	3.8%
Studio	£519	£555	£582	£559	£614	£625	20%	3.8%
1 bed flat	£690	£728	£752	£776	£816	£847	23%	4.2%
2 bed flat	£961	£1,045	£1,089	£1,096	£1,163	£1,191	24%	4.4%
2 bed house	£1,005	£1,075	£1,132	£1,088	£1,199	£1,218	21%	3.9%
3 bed house	£1,337	£1,306	£1,381	£1,449	£1,421	£1,458	9%	1.8%
4 bed house	£1,549	£1,729	£1,686	£1,668	£1,725	£1,795	16%	3.0%

For all property sizes except studio flats (which receive the 1 bedroom flat rate), the average cost of renting exceeds the Local Housing Allowance:

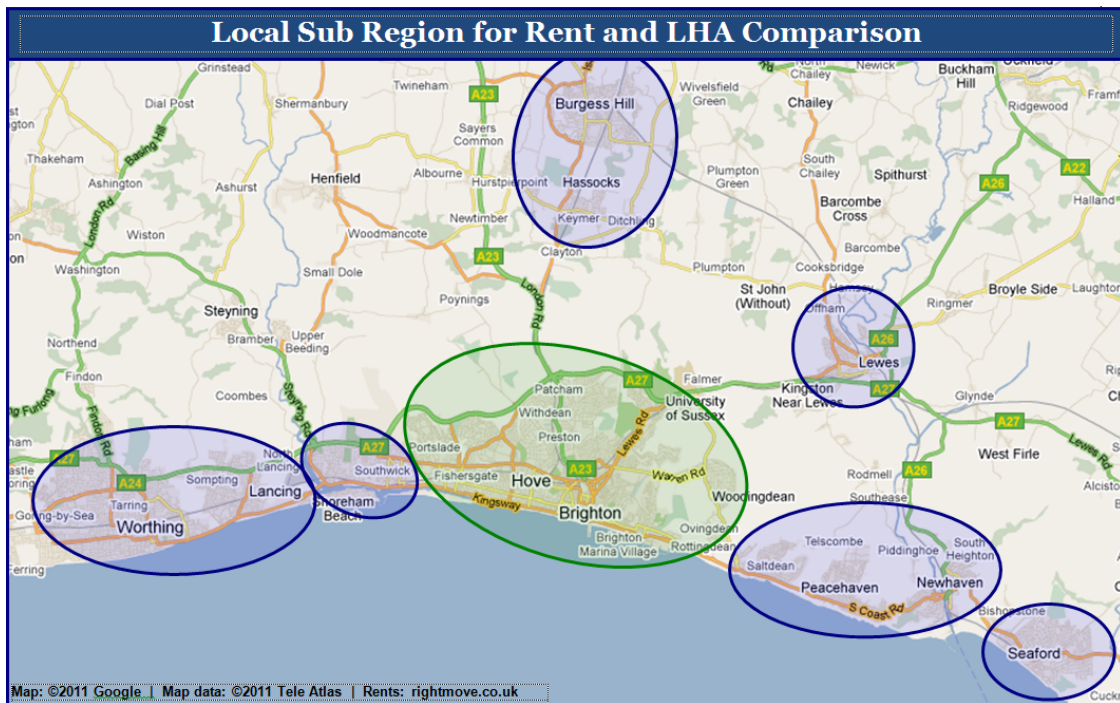
Average Monthly Rent	2015 Q1	Local Housing Allowance (Mar 15)	Monthly Shortfall
Room	£438	£344	£94
Studio	£625	£657	-£32
1 bed flat	£847	£657	£190
2 bed flat	£1,191	£826	£365
2 bed house	£1,218	£826	£392
3 bed house	£1,458	£988	£470
4 bed house	£1,795	£1,414	£381

Cost of private renting in B&H compared to other authorities in the sub-region.

This data is a snapshot done on 31 March 2015 of the number of private rented homes available on the rightmove.co.uk website in Brighton & Hove and neighbouring areas to identify how many of these are affordable to those on the housing benefit Local Housing Allowance (LHA)².

¹ Housing Costs Update Report (2015 Q1): <http://www.brighton-hove.gov.uk/content/housing/general-housing/housing-strategy-costs-reports>

² Rent & Local Housing Allowance Comparison Report (31 March 2015): <http://www.brighton-hove.gov.uk/content/housing/general-housing/housing-strategy-costs-reports>



As the Local Housing Allowance is based on household size, the data has been separately analysed for:

- Single people under 35 and others sharing
- Single people over 34 and couples without children
- Families with children

Single People Under 35 and Others Sharing

On 31 March 2015, single people under 35 and other sharers on full housing benefit wanting to live in **Brighton & Hove** would find 4 (0.5% of 746) affordable homes:

- 0 of the 323x 2-bed homes
- 1 of the 167x 3-bed homes
- 3 of the 256x 4-bed homes were affordable

Regionally, overall, of the 939 larger 2-4 bed homes available to rent, 24 (3%) were within LHA limits.

- **2 bed homes:** Our analysis found 2 affordable 2-bed home (0.5% of 432x 2-beds) for two people sharing, located in Saltdean to Newhaven and Burgess Hill & Hassocks
- **3 bed homes:** Our analysis found 9 affordable 3-bed homes (4% of 227x 3-beds) for three people sharing, located mainly Saltdean to Newhaven (3)
- **4 bed homes:** Our analysis found 13 affordable 4-bed homes (5% of 280x 4-beds) for four people sharing, located mainly in Worthing & Lancing (4)

Single People Under 35 and Others Sharing

(LHA assumes each bedroom occupied by someone on the shared room rate)

	Area	Average Rent (£/mth)	Properties Advertised (#)	Local Housing Allowance (£/mth)	Properties within LHA Rate (%)	Properties within LHA Rate (#)
2 bed	Brighton & Hove	£1,223	323	£688	0.0%	0
	Worthing & Lancing	£878	62	£594	0.0%	0
	Shoreham & Southwick	£985	7	£688	0.0%	0
	Lewes	£1,066	6	£688	0.0%	0
	Burgess Hill & Hassocks	£848	13	£682	7.7%	1
	Saltdean to Newhaven	£1,014	14	£688	7.1%	1
	Seaford	£792	7	£578	0.0%	0
	2 bed total		432		0.5%	2
3 bed	Brighton & Hove	£1,559	167	£1,032	0.6%	1
	Worthing & Lancing	£1,188	23	£891	4.3%	1
	Shoreham & Southwick	£1,307	6	£1,032	0.0%	0
	Lewes	£1,173	6	£1,032	33.3%	2
	Burgess Hill & Hassocks	£1,165	10	£1,023	20.0%	2
	Saltdean to Newhaven	£1,169	11	£1,032	27.3%	3
	Seaford	£1,024	4	£867	0.0%	0
	3 bed total		227		4.0%	9
4 bed	Brighton & Hove	£1,773	256	£1,376	1.2%	3
	Worthing & Lancing	£1,216	7	£1,188	57.1%	4
	Shoreham & Southwick	£1,850	3	£1,376	0.0%	0
	Lewes	£1,954	5	£1,376	20.0%	1
	Burgess Hill & Hassocks	£1,381	4	£1,364	75.0%	3
	Saltdean to Newhaven	£1,575	4	£1,376	50.0%	2
	Seaford	£1,500	1	£1,156	0.0%	0
	4 bed total		280		4.6%	13

Single People over 34 and Couples without Children

On 31 March 2015, single people over 34 and couples without children on full housing benefit wanting to live in **Brighton & Hove** will find more opportunity renting a studio than 1-bed home with:

- 44 (64% of 69) studios within the LHA limit
- 5 (3% of 164) 1-bed homes within the LHA limit

Single People Over 34 and Couples without Children

	Area	Average Rent (£/mth)	Properties Advertised (#)	Local Housing Allowance (£/mth)	Properties within LHA Rate (%)	Properties within LHA Rate (#)
Studio	Brighton & Hove	£635	69	£657	63.8%	44
	Worthing & Lancing	£463	21	£515	76.2%	16
	Shoreham & Southwick	£0	0	£657	0.0%	0
	Lewes	£0	0	£657	0.0%	0
	Burgess Hill & Hassocks	£0	0	£631	0.0%	0
	Saltdean to Newhaven	£0	0	£657	0.0%	0
	Seaford	£0	0	£500	0.0%	0
	Studio total			90	66.7%	60
1 bed	Brighton & Hove	£902	164	£657	3.0%	5
	Worthing & Lancing	£637	49	£515	12.2%	6
	Shoreham & Southwick	£721	6	£657	0.0%	0
	Lewes	£968	7	£657	14.3%	1
	Burgess Hill & Hassocks	£703	6	£631	16.7%	1
	Saltdean to Newhaven	£692	9	£657	33.3%	3
	Seaford	£676	7	£500	14.3%	1
	1 bed total			248	6.9%	17

Regionally, overall, of the 338 studio and 1 bed homes available to rent, 77 (23%) were within LHA limits:

- **Studio Flats:** 60 (67%) were within LHA limits, located in Brighton & Hove (44) and Worthing & Lancing (16)
- **1 bed homes:** 17 (7%) were within LHA limits located in Worthing & Lancing (6) and Brighton & Hove (5)

It is assumed that couples with no children on local housing allowance would live in 1-bed homes which limits choice further.

Families with children

On 31 March 2015, families with children on full housing benefit wanting to live in **Brighton & Hove** would find 10 (1% of 746) family homes (2-4 bed) falling within the LHA rate:

- 2x 2-bed were within LHA rates
- 1x 3-bed were within LHA rates
- 7x 4-bed homes (however, 65% of all 4-bed homes advertised were student lets)

Overall, of the 939 larger 2-4 bed homes available to rent, 28 (3%) were within LHA limits.

- **2 bed homes:** 8 homes were found to be within LHA rates (2% of 432x 2-beds) and located mainly in Brighton & Hove (2), Saltdean to Newhaven (2) and Burgess Hill & Hassocks (2)
- **3 bed homes:** 5 homes were found to be within LHA rates (2% of 227x 3-beds) mainly located in Saltdean to Newhaven (3)
- **4 bed homes:** 15 homes were found to be within LHA rates (5% of 280x 4-beds) and located mainly in Brighton & Hove (7)

Families with Children

	Area	Average Rent (£/mth)	Properties Advertised (#)	Local Housing Allowance (£/mth)	Properties within LHA Rate (%)	Properties within LHA Rate (#)
2 bed	Brighton & Hove	£1,223	323	£826	0.6%	2
	Worthing & Lancing	£878	62	£657	1.6%	1
	Shoreham & Southwick	£985	7	£826	14.3%	1
	Lewes	£1,066	6	£826	0.0%	0
	Burgess Hill & Hassocks	£848	13	£774	15.4%	2
	Saltdean to Newhaven	£1,014	14	£826	14.3%	2
	Seaford	£792	7	£650	0.0%	0
	2 bed total		432		1.9%	8
3 bed	Brighton & Hove	£1,559	167	£988	0.6%	1
	Worthing & Lancing	£1,188	23	£795	0.0%	0
	Shoreham & Southwick	£1,307	6	£988	0.0%	0
	Lewes	£1,173	6	£988	0.0%	0
	Burgess Hill & Hassocks	£1,165	10	£955	10.0%	1
	Saltdean to Newhaven	£1,169	11	£988	27.3%	3
	Seaford	£1,024	4	£783	0.0%	0
	3 bed total		227		2.2%	5
4 bed	Brighton & Hove	£1,773	256	£1,414	2.7%	7
	Worthing & Lancing	£1,216	7	£1,025	28.6%	2
	Shoreham & Southwick	£1,850	3	£1,414	0.0%	0
	Lewes	£1,954	5	£1,414	20.0%	1
	Burgess Hill & Hassocks	£1,381	4	£1,329	75.0%	3
	Saltdean to Newhaven	£1,575	4	£1,414	50.0%	2
	Seaford	£1,500	1	£981	0.0%	0
	4 bed total		280		5.4%	15

Appendix 3.

Brighton & Hove City Council Temporary accommodation Policy (out of area placements)

Background Information

The Council has to provide temporary accommodation for people who apply as homeless, if it has reason to believe that the household may be homeless, eligible and in priority need, as defined by homelessness legislation. It must also continue to provide accommodation to households that have been accepted as homeless while longer term accommodation is found or until the duty towards the household has been discharged in one of the ways contained in the Housing Act 1996 (HA).

Where the housing department does not have a duty to accommodate, because they are ineligible or have been found to be intentionally homeless or the homelessness duty has been discharged there may be another “corporate” duty to accommodate households under another duty such as the Children’s Act 2004 or the National Assistance Act 1948. Accommodation provided under a duty other than homelessness legislation is commonly known as a service level agreement (SLA)

Homelessness services and temporary accommodation are paid for by the Council’s General Fund and currently cost over £3.2 million annually. There has been a rise in homelessness applications and acceptances in Brighton & Hove over the past four years, largely due to local increases in private sector rent, caps on the increases in local housing allowances (LHA) and reductions in welfare benefits. Rent increases also mean that temporary accommodation for homeless households is becoming scarce and more expensive, both within the city and in the surrounding areas. Rents in the city are some of the highest to be found outside London and in some instances are higher. There are areas within the south east region where rent levels are within Local Housing Allowance (LHA) levels and are therefore affordable to households on benefits.

Because of this, there is a risk that the annual cost of temporary accommodation will increase significantly.

The Council could fund the additional expenditure, from the general fund, but this would increase the financial pressures on other services at a time of severe financial constraints. The Council’s preferred option therefore is to consider its options to reduce these costs and improve the value for money, to avoid having to find additional money to cover additional expenditure.

The use of temporary accommodation is subject to limitations under statute in the Housing Act 1996. There is also a substantial volume of guidance issued by the Secretary of State Communities and Local Government. In the past 12 months there has been new case law developed. In many local authority areas, especially in high rental areas, they struggle to procure accommodation within their own locality at a reasonable cost. The impact of placing households, particularly those containing children or vulnerable adults, outside of the city may add costs on households and other services. Costs of travelling to school or receiving social service support may increase. Social networks may be more difficult to maintain. This could increase the overall costs to the public exchequer. Relations with other local authorities may also suffer if they interpret that BHCC is exporting its problems to their areas.

To address some of the issues, we have developed guidelines for placing people in temporary accommodation that are agreed across the council so that we can better manage demand from customers and other professionals in the city.

Who does the policy apply to:

This policy applies when there is either no suitable accommodation in the city or there is insufficient accommodation and the council must choose between applicants. The policy applies to:

- Applicants placed under an interim duty to accommodate (Housing Act 1996 s188)
- Applicants placed under a full duty to accommodate (Housing Act 1996 s193 (2) & 195a(1))
- Applicants placed under a power to accommodate under review or appeal of homeless decision (S188(3) & 204(4))
- Requests to accommodate by Children's Service or Adult Social Care

Those above that are subject to the provisions of the Housing Act 1996 as amended will have to follow the provisions of the act

- Section 205 Discharge of functions
- Section 206 Discharge of functions by local housing authority
- Section 208 Discharge of function out-of-area placement
- Section 210 Suitability of accommodation

The council must of due regard to Guidance by the Secretary of State, at which time the following guidance and statutory instruments are in force that include:

Chapter 17, Homelessness Code of Guidance for Local Authorities (July 2006),

Homelessness (Suitability of Accommodation Order 1996) (SI 1996/3204),

Homelessness (Suitability of Accommodation (England) order 2003 (SI 2003/3326),

Homelessness (Suitability of Accommodation (England) Order 2012 (SI2012/2601),

Supplementary Guidance on the homelessness changes in the Localism Act 2011

Homelessness (Suitability of Accommodation (England) Order 2012 (8 November 2012).

The council should take into account of the body of case law that currently includes

- Nzolameso v City of Westminster 2015
- R (Sacupima) v Newham 2001 (Impact of schooling, employment and medical factors)
- R (Calgin) Enfield LBC 2005 (Council entitled to take into account resources)
- R (Yekini) v Southwark LBC 2014 (Homeless duty not discharged by inability to meet rent)

Although placements that are not made under the provisions of the Housing Act are not subject to the same statutory framework there are other provisions that will apply.

Children's Act 2004 Section 11

Care Act 2015

Location of temporary accommodation

Under s208 HA the Council is under an obligation so far as is reasonably practicable to provide accommodation is available in its district. It is accepted that in some circumstances that if there are clear benefits for the applicant that accommodation may be offered outside the city, these are:

- Risk of Domestic Violence
- Risk of other Violence
- Safeguarding Children
- Safeguarding Adults
- Breaking the links with previous contacts who could exert negative influence
- Applicant own request to be placed out of area
- Accommodation is affordable for the applicant and their household.

Following case law and guidance in this area the council seeks to offer homeless households accommodation within the city boundaries, whenever this is available and affordable. It should be noted that placing households with children or where a member of the household is pregnant can legally only be for a period of 6 weeks if the accommodation is not self contained. Where accommodation is required by children's services or adult social care there is no corresponding 6 week rule, however the council must consider the best interest tests in social care legislation.

Each case must be assessed on the facts of the case. Matters that are not mentioned in this policy must be considered in terms of the impact on the applicant and members of the household.

Below are guidelines for the location of offers of temporary accommodation. The guidelines separate households requiring temporary accommodation into three main groups and set out different criteria for each of these groups about where they should be placed. There will be circumstances when it is appropriate to allocate outside of these categories and each case will be considered on its own merits. The category guidelines are:

Group A , where possible, offered accommodation in Brighton & Hove. The group consists of households who include:

- a child in secondary school within the city in their final year of key stage 4 (generally year 11)
- a child who has a Statement of Special Educational Needs and is at school in the city
- a child who is the subject of Child Protection Order Plan from BHCC
- someone who is officially caring for another person in the city as part of a care plan agreed with the relevant social care department.
- someone in permanent or settled employment who works anti-social hours within the city and would risk losing their employment (unless they can be transferred by their employer)
- someone who is receiving medical treatment that can only be provided by a specific medical facility within the city and that treatment requires a high volume of attendance at that medical facility (a minimum of 2 – 3 times per week).

Group B are prioritised for temporary accommodation in adjacent districts within the broad market rental area, or neighbouring districts in the Sussex sub-region which is approximately one hours travelling distance on public transport from the city. The group consists of households who include:

- An applicant who has their own transport to enable them to travel into the city
- a child in secondary school either in the city or neighbouring boroughs
- someone who is receiving medical treatment that can only be provided by a specific medical facility only available within the city
- someone who is receiving NHS treatment for mental health problems other than from their GP and/or is on the Care Programme Approach.

Group C all other homeless households would be offered temporary accommodation wherever the borough is able to procure it, provided that it is suitable for the household's needs. In all cases the council will seek to find accommodation as close to the city as possible. This group can include a household where there is no local connection with the city.

In cases where there are competing demands for accommodation a statutory duty to provide accommodation will take priority over any power to provide accommodation.

Assessment of cases

It is important to note that a household's individual circumstances (i.e. the household's needs) must always be taken into account when making an allocation of temporary accommodation. This means factors such as the distance from B&H, any disruption caused to employment, education or caring arrangements, access to medical facilities and proximity to other amenities. Following an assessment this could still mean that households are provided with temporary accommodation out of the city but will determine how far this may be.

Factors to consider in assessment

Distance outside of the area.

In some instances accommodation that is offered is directly adjacent to accommodation offers that are in the city. This is true of accommodation in Saltdean and Southwick where the city boundaries dissect these communities. These areas are in Lewes and Adur district council areas but in fact have extremely close links including local buses, local schools and local health services. Where a placement is therefore within Southwick or Saltdean these can reasonably be considered to be suitable on the case basis that the accommodation is within the city.

All efforts will be made to keep the applicant as close as possible to the City. Note will be taken of the impact of distance on a range of factors as set out below.

Own Transport

When assessing the distance outside of the city if the applicant or member of the household has their own transport this should be considered as a factor (including increased costs of petrol as other costs are already being paid)

Public Transport

When assessing distance outside of the city factors such as ability to use public transport or if transport is and can continue to be provided should be assessed. Increase cost of travel and increased time are also factors. Where the cost of accommodation includes utility bills this should be taken into account where there may be increased expenditure.

Employment

When assessing if a person is in employment it should be assessed if the person would be at risk of not being able to continue with the employment, if transport is unavailable to access the employment along with any increased costs of transport. Factors such as the ability to transfer employment may be taken into account but should not be assumed. Consideration may also be given as to the availability of work in any proposed area.

Children's schools

When assessing households with children that are in schools in the city regard should be had to the ability of the child to continue to access the school. If there is no other option but to offer accommodation out of the area inquiries should be made on the feasibility of accessing schools in the area of the accommodation (this may be dependent on the length of time the household is likely to be placed out of the area. If the placement is for interim accommodation (pending full assessment) and the person is likely to be transferred back to the city this may not be required.

If the school can confirm that other children travel from the area of the placement this may be considered a suitable, subject to increased travel costs and time. An assessment should include each child in the household as they may be in educational establishments in different locations. If the allocation is in discharge of a full housing, or other duty, factors such as the availability of school places may be a relevant factor. Inquiries will need to be made in order to satisfy suitability.

Medical Factors

Brighton has a number of medical services that do not only serve residents in the city. Many services are provided across the region especially to our neighbouring local authority areas. Some households may have to travel to medical appointments outside the city to other centres in London for example. The assessment of these factors should be taken into account including increase travel, ability to travel, increased cost and time of travel. Other factors may be the number of appointments the person has to attend.

Other factors to consider are that there are a number of services that provide services across the sub region for example Sussex Partnership NHS Foundation Trust. The assessment should not assume that medical services can be transferred but inquiries will be required to ascertain if this is possible.

Other factors

Applicants may raise other issues that are not contained in this policy document. Each issue should be assessed on it's own merits and a decision made using the factors above.

On some occasions the availability of temporary accommodation is severely limited despite our continued efforts to procure accommodation to match demand. The section below is designed

to ensure that people being transferred back to accommodation in the city will also be dealt with on a priority basis.

The duty to accommodate a household is subject to continuing duty that the accommodation remains suitable, until the duty is permanently discharged. If an issue of suitability is raised on households that are placed out of the city this policy will apply.

Transferring applicants

On some occasions it will be necessary to place households from group A & B in emergency accommodation outside of the city. Where a family are placed out of the city we will transfer the household back to the city on a priority basis that in essence will follow the same prioritisation as set out above – that is those in category A, then B where a property is deemed to be suitable to meet the needs of an applicant then the case will not be afforded a consideration to move back to the city.

Where household chose to move to another area, for example because of family connections, then the council will seek to identify suitable accommodation in that area and enable to family to move. Where a household wish to remain in temporary accommodation where they have been placed then the council will seek to support them to remain in the accommodation or the area.

Duty to inform other local authority

Under s208 HA the council is under a duty to inform a local authority that is has placed a homeless household in temporary accommodation in is area. The information provided is as follows:

- Name of the applicant
- Number and description of other persons who normally reside with the applicant
- The address of the accommodation
- The date the accommodation was made available
- The function that we are discharging is securing the accommodation

BHCC will notify the council into which homeless households are placed and will seek to develop protocols with other councils to ensure that services are maintained where required.

Statutory Right of Review

Homelessness Placements

Under the provisions of the Housing Act 1996 some placements have to be considered suitable before the council can consider its functions are discharged.

S188 Interim Accommodation

Interim accommodation is provided to applicants if the council is satisfied that a person is eligible, homeless and has a priority need for accommodation. The council must provide accommodation while it makes enquiries and gives the applicant a formal notification of the duty owed, if any. The accommodation must be suitable to meet the needs of the applicant and any member of the household. This requires an assessment of housing need to be carried out.

Because this accommodation is being provided whilst the homeless case is assessed it can be very basic but there are levels which even interim accommodation cannot fall below. The Council is not able to accommodate families with children in Bed and Breakfast accommodation

except in an emergency and then not for period exceeding 6 weeks. There is no statutory right of a review on suitability of interim accommodation. Decisions taken are however subject to legal challenge by way of Judicial Review.

S193 Households accepted as being owed a full housing duty.

Once the council accepts that it has a duty to an applicant then it must ensure that the applicant and household are maintained in accommodation. Again this accommodation must be suitable and when the full duty to accommodate arises so do levels of what is considered suitable. At this stage offers of accommodation are subject to a statutory right of review if a person accepts or refuses an offer of accommodation.

A property must remain suitable to the applicant and or their household until the council has discharged its duty by providing permanent accommodation or discharging its duty by providing a private sector offer. Any challenge to the suitability of accommodation is subject to a statutory right of review.

Where a statutory right of review exists if the review upholds the decision that the accommodation is suitable the applicant has the right to appeal to the County Court but only on a point of law.

Council Customer complaints process

The Council has a customer complaints procedure. However it should be noted that where there is a statutory review & appeals procedure in place the council would expect that this process is used before the council will consider a matter under the complaints procedure.

Placements made on behalf of Children's Service and Adult Social Care.

Placements made by the Housing Department on behalf of Children's Service and Adult Social Care services are not subject to the same statutory review process. There are different processes in place and if an applicant wishes to complain then this can be done to the council's standards and complaints section

<https://www.brighton-hove.gov.uk/content/council-and-democracy/compliment-or-complain/social-services-complaints>

or

By phone: FREEPHONE: 0500 291229

By email: Complaints@brighton-hove.gov.uk

By writing:

Standards and Complaints team
Brighton and Hove City Council
Freepost SEA2717
Hove
BN3 2ZW

It should be noted that the council will not under an obligation to keep an offer of accommodation open whilst the review or complaints process is undertaken.