

## HOMELESSNESS

### THIS REPORT IN 90 SECONDS

- ❖ This subject is complicated.
- ❖ There are far more people seeking homes in Sedgemoor than there are properties available. The Sedgemoor area needs more small property and needs it urgently.
- ❖ Homelessness is rising. CAB records show a 162% growth since 2013-14.
- ❖ Homelessness is mostly caused by problems of Financial Capability, rent arrears and other forms of debt, the end of a private sector tenancy, and/or the breakdown in a partnership/friendship/family relationship.
- ❖ Housing benefits are frozen while rents continue to rise. Rents are increasingly unaffordable for everyone, but more so for those on Benefits.
- ❖ Housing benefits are significantly lower for those aged under 34: they can usually afford to access only Homes of Multiple Occupancy.
- ❖ Housing Benefits have been frozen since 2012. Benefit caps have affected a few people. Changes in the rules to reduce Housing Benefit for those aged 25 to 34 have affected many people in Sedgemoor.
- ❖ Working tenants seem to find their rents little more affordable than those on Benefits.
- ❖ People sometimes become Homeless while on the Housing Register – even when “Gold Banded” - because of the intense scrutiny they will face from Registered Social Landlords. They sometimes become Homeless; other times they find something in the private sector.
- ❖ Several factors focus attention on 1-bed property and HMOs – these include the arrival of workers on the Hinkley Point Development, the Housing Benefit levels for under 34s, and the “bedroom tax”.
- ❖ Releases from prison/health facilities contribute to Homelessness when the individual has no home to go to.
- ❖ Builders, landlords, letting agents and tenants all have vital roles to play.
- ❖ Changes in taxation are making very significant differences for Landlords. These are added to the changes in the law that are designed to make tenancies more secure. They combine to discourage Landlords from letting property. This was never the money-maker as widely perceived.

### Recommendations

- ❖ We recommend that SDC should consider applying for Targeted Affordable Funding to mitigate the effects of the freeze on housing benefits.
- ❖ We recommend encouraging Registered Social Landlords to review their policies so as to take a balanced and perhaps more flexible view when assessing Housing Register customers who may have more complex needs.
- ❖ We recommend that SDC should pay particular attention to those who fall through all the nets – to those with rent arrears and to those who are assessed as intentionally homeless or have no local connection.
- ❖ SDC should engage with the Criminal Justice System and the National Health Service to ensure that ex offenders and patients ready for discharge are not homeless on release.
- ❖ We hope that SDC will intensively exploit Planning Mechanisms “Section 106 Agreements”, and more robustly negotiate planning (and Viability Reviews) for affordable housing so as to increase the supply of small and cheap units of accommodation and to ensure that builders deliver on the promises made to obtain Planning Permission.
- ❖ **The work and the people that do it are to be commended. They do their best to solve the problem, in adverse conditions.**

## HOME IS WHERE THE HEART IS

*By Citizens Advice Sedgemoor*

### EXECUTIVE BRIEFING

#### Key Points

- ❖ Demand for housing exceeds supply. This is exaggerated by the arrival in the area of Hinkley Point workers. By far the greatest need is for 1-bed properties where there are three times as many tenants as properties available, and single rooms. Builders have little to motivate them to build 1 bed properties rather than 2- or 3-.
- ❖ Homelessness in Sedgemoor appears to have grown by 162% by comparison with 2013-14 (according to Citizens Advice records).
- ❖ Debt, Financial Capability and poverty are main causes of Homelessness.
- ❖ Rents are increasingly unaffordable for those who are working as well as for those who require welfare benefit support. This leads to rent arrears in many cases which are a major obstacle to getting accommodation.
- ❖ Housing benefits are capped – which means that in real terms, they are falling. There have been 33 benefits changes since 2011.
- ❖ Numbers of people on the housing register are falling. At the beginning of this research, the reasons for this were unknown, but we knew that it was not demonstrating good outcomes. We now believe that Hopelessness plays a main part.
- ❖ People seeking housing through the housing register process, Homefinder Somerset, face up to eight tests.
- ❖ Many people feel that they have no hope of passing those tests and give up.
- ❖ The homeless are those who fail the tests or give up – and are unable to afford property in the private sector.
- ❖ Commercial builders are not quick to develop the small properties that are required by people who are Homeless or in danger of becoming Homeless.

## Sedgemoor

- ❖ People are all too often released from prison or other institutions to No Fixed Abode.
- ❖ Further research is possible, but existing data does not seem to support that and so it would be time consuming. We think that this is an Urgent Problem.

### Recommendations

- ❖ We recommend that SDC should consider applying for Targeted Affordable Funding to mitigate the effects of the freeze on housing benefits.
- ❖ We recommend that SDC should work towards the development of 1 bed properties suitable for people of all ages who are on Housing Benefit, including addressing the needs of those aged under 34 who receive benefit at the Single Room Rate. The option of using public funds to undertake the development, or procuring the development seems attractive as it allows the Council to ensure that the right kind of property is available.
- ❖ We recommend encouraging Registered Social Landlords to take a balanced and perhaps more flexible view when assessing Housing Register customers in terms of “intentionally homeless” and “local connection”.
- ❖ We recommend that SDC should pay particular attention to those who fall through all the nets – to those with rent arrears and to those who are assessed as intentionally homeless or have no local connection – even if they are not deserving cases.
- ❖ We hope that SDC will intensively exploit Planning Mechanisms “Section 106 Agreements”, and to more robustly negotiate planning (and Viability Reviews) for affordable housing so as to increase the supply of small and cheap units of accommodation and to ensure that builders deliver on the promises made to obtain Planning Permission.
- ❖ SDC should engage with the Criminal Justice System and the National Health Service to ensure that prisoners and patients are not homeless on release.
- ❖ **The work and the people that do it are to be commended. They do their best to solve the problem, in adverse conditions.**



## A LITTLE MORE OF OUR RATIONALE

*146 applications were considered by SDC in 2016-17. 29 of these involved people under the age of 25; 86 were aged 25 to 44.*

*At 31<sup>st</sup> March 2017, Sedgemoor had 1932 active housing register applicants (86 of these were Gold Band.) This is a significant decline of 23.51% on the previous year.*

*About half of the applicants were seeking 1-bed accommodation; more than a third were seeking 2 bed. Applications for three and four bed were trivial by comparison.*

*59% of applicants were under 35; 85% were under 60.*

The full report shows that demand for housing exceeds supply. Supply exceeds demand by a factor of 3:1 for 1- bed properties and 2:1 for 3-bed. House building is falling steeply. The area needs more housing and needs it quickly. By far the greatest need is for 1- and 2- bedroom homes for younger adults (under 35). 21000 new households form every year in the south west, but only about 15000 new homes are completed. Evidence is sketchy, but it seems that builders are not motivated to build that kind of property, and we are told that building a 1-bed property costs very nearly as much as a 2- or 3-bed one.

Debt is a main cause of Homelessness.

Rents are rising. Welfare benefit income has been changed 33 times since 2011 – only three of these were helpful to claimants and several had a very significant adverse effect.

(Details are in Appendix C of

the report.) Income from employment is not increasing rapidly and although employment is relatively high, many jobs are short term or zero hours contracts. The Hinkley Point development applies a steady upwards pressure on rents and house prices.



*24.72% of applicants from the housing register were “skipped” because of lack of local connections.*

*18.21% of clients were “skipped” because they did not meet the criteria for the accommodation concerned.*

*12.96% were “skipped” because they did not meet the local lettings plan.*

*9.84% were “skipped” because of rent arrears.*

Housing benefits have, in simple terms, been capped since 2012, and appears to be set to be capped until 2020. There is, however a mechanism for “Targeted Affordable Funding” to be made available to mitigate this and **we recommend that SDC should consider applying for this.**

Recently, numbers of people on the housing register are falling. Some of the people have discussed this with us (see Appendix E and Appendix F in the report). There are many and complex reasons for this. We think that one of the main reasons is a sense of hopelessness as people anticipate facing eight major kinds of

obstacle to obtaining accommodation even once they are “Gold Banded”. **We**

recommend encouraging the Registered Social Landlords to take a balanced and perhaps flexible view when assessing housing register customers in terms of “intentionally homeless” and “local connection”. But we note that this risks displacing other customers.

Our research identifies a **significant difference between private landlords and Registered Social Landlords (RSLs)**. The difference is that while RSLs consider affordability, local connections, intentionally caused homelessness and behavioural issues, private landlords focus tightly on affordability. Private landlords are unable to obtain much information about behaviour, and are confined to references from previous landlords – which they see as having limited value.

#### *Obstacles for the Homeless*

- *No Local connection*
- *Intentionally Homeless*
- *Rent arrears*
- *Behaviour*
- *Up front costs*
- *Affordability*
- *Pets*
- *References*

Tenants with more problems may well find it hopeless in the public sector, when in the private sector, the main obstacle is affordability.

Citizens Advice practitioners say that people are living increasingly chaotic lives. And that many people simply don't/can't open their mail.

Some people simply fall through the nets. One or more of the obstacles is a real and persuasive argument for withholding housing from them. Despite that argument, we recommend that SDC should pay particular attention to those who fall through all the nets – to those with rent arrears and/or behavior issues and to those who are intentionally homeless or have no local connection.

SDC should engage with the Criminal Justice System and the National Health Service to ensure that prisoners and patients are not homeless on release.

We hope that SDC will intensively exploit Planning Mechanisms “Section 106 Agreements”, and to more robustly negotiate planning (and Viability Reviews) for affordable housing so as to increase the supply of small and cheap units of accommodation and to ensure that builders deliver on the promises made to obtain Planning Permission.

There is limited value in written correspondence with homeless clients. About 26% are likely to have problems with reading/writing to handle official correspondence and many more find it too stressful to open it. Tenancy Support Officers are an option to help with this aspect of tenants managing a tenancy

For several years SDC has been working to prevent homelessness, and funding other organisations who work to help those who fall through those nets, including Taunton Association for the Homeless and Citizens Advice Sedgemoor. **The work and the people that do it are to be commended.**