

Housing Options Frontline Prevention and Relief from Homelessness Fund – Spend to Save

1. Purpose

The Homelessness Frontline Prevention and relief from Homelessness Fund has been developed to support Hinckley & Bosworth BC proactive approach to preventing homelessness. It enables the Council to spend relatively small amounts of money to prevent homelessness thereby saving large amounts of money that could be wasted on bed and breakfast accommodation, minimises the use of hostel places, ensuring the minimum amount of disruption for potentially homeless families and offering a value for money long term solution. As it is in the form of an interest free loan, it promotes self responsibility and empowerment of our clients.

The Homelessness Frontline Prevention and Relief from Homelessness Fund Policy sets out the Framework under which payments can be made to households facing homelessness to enable them to remain in their existing accommodation or access alternative housing. The Policy specifies that payments are to be in the form of an interest free loan.

The benefits of the scheme are:

- Minimising disruption to employment, support networks and education for homeless applicants;
- Providing a further element of choice;
- Reduction in the number of homeless applications;
- Reduction of households in bed and breakfast and temporary accommodation;
- Providing real and cost effective options;
- Flexible, imaginative and cost effective solutions allowing officers to “think out of the box”.

In cases where it has not been possible to prevent homelessness, resulting in a homeless duty being accepted, it can be used to provide a bond and rent in advance for a suitable property. This means it has to be suitable for the family, affordable and in line with Allocations Policy. The relevant proofs need to be provided.

The fund can also be used for applicants who have a priority need and are intentionally homeless as an alternative to bed and breakfast accommodation.

2. Background

The Government’s homelessness agenda focuses on prevention of homelessness and the reduced use of temporary accommodation by 50% by 2010. The use of bed and breakfast accommodation is particularly in the spotlight. Local Authorities report the number of cases where homelessness has been prevented through Best Value Performance Indicator LHS 213. In its first year 2006/2007 Hinckley and Bosworth BC reported 147 cases prevented with a £5000 budget. During the financial year 2010/2011, 511 customers had their homeless prevented or relieved with a budget of £55k.

Local Authorities have had a duty to prevent homelessness since the Housing (Homeless Persons) Act 1977 but a greater emphasis has been placed on preventions since the Homelessness Act 2002.

The Government views homelessness prevention as tailoring housing solutions to individual needs. In “Evaluating Homeless Prevention” published by the Department for Communities and Local Government (now CLG) it states: “A prevention-centred approach can mean a pro-active rather than a reactive style, with an increased emphasis on networking, negotiation and creativity.”

Losing a home can have a profound effect on a household and can involve vulnerable people, including children, moving away from support networks, friends, schools etc. It can also mean having to spend time in temporary accommodation and result in expenditure by the Council for bed and breakfast. By offering a funded prevention service, it can help to take the burden off any vacancies arising social housing stock and would be let through the Allocations Policy. It also give the applicant more element of choice

3. Financial Implications

In order to build on the success of the previous year, Hinckley and Bosworth Borough Council have taken the decision to increase the Frontline Homelessness Prevention Budget to £20,000 and shows a considerable commitment to preventing homelessness in this Borough.

Payments will be made in the form of a loan to be repaid by affordable instalments. Failure to repay this amount will count as a debt to the Council and will affect placing on the Housing Register by being placed in the low band category.

4. Criteria and Guidance for use of Hinckley & Bosworth BC Homelessness Frontline Prevention and Relief from Homelessness Fund:

Any payment has to be countersigned by the Housing Options Manager or equivalent or Section Head. **NO CASH PAYMENTS WILL BE MADE.** It should not be promised if the criteria does not apply.

The Prevention fund should only be used:

- For customers who are resident in the Borough or have a connection although exceptional circumstances will be considered on an individual basis;
- If failure to do so results in a household being placed in temporary accommodation;
- As an option to provide medium to long term solutions for homelessness or threat of homelessness and is sustainable for a

minimum 6 month period. Referrals should be made to support agencies where appropriate e.g debt counselling, floating support;

- Only where there is reason to believe the household is homeless or threatened with homelessness, likely to be in priority need and unintentionally homeless. Evidence should be provided to support each case. Officers should be mindful not to offer this option unless they are sure the applicant fits the criteria to avoid having to backtrack at a later date;
- Where there is a proven risk of rough sleeping and there is no suitable hostel placement available, up to £250 can be offered through the prevention fund;
- Up to a maximum payment of £500. In exceptional circumstances, for example where it may result in the Council having expenditure of a higher amount could be paid with the agreement of the Housing Options Manager if it is proven this type of payment is more cost effective;
- Only one payment to be made per household;
- All payments should be in the form of a loan and are repayable by the applicant who will be required to sign an agreement before receiving any funds;
- Other options for prevention that do not involve financial assistance should be considered first. Some prevention measures such as home visits and behaviour agreements do not involve any costs;
- Where there is a statutory duty to the applicant. In these cases a bond and a months rent in advance can be paid.

It should not be used for:

- For customers who have the funds to resolve their own situation but is paying for non-priority items;
- Applicants from outside the Borough unless in exceptional circumstances or there is a statutory duty;
- Should not be used to clear rent arrears and/or Court Costs for Hinckley & Bosworth BC tenants as other options have to be considered by Arrears Officers as part of their recovery process;
- Should not be used to pay agency fees;
- No cash payments can be made. Payments will usually be made to a third party e.g. mortgage provider, landlord.

Officers can consider any or a combination of the following options up to a maximum financial costs of £500 per household (exceptions will be considered) in the case of prevention. This list is not seen as exhaustive as the purpose of the fund is to enable officers to identify innovative ways to prevent homelessness:

- Bonds;
- Damage deposits;
- Rent “top ups” and tenancy sustainment payments;
- Rent arrears payments to RSL and private landlords;
- Mortgage arrears payments where the cause has been temporary and unavoidable and is sustainable afterwards;
- Mediation for age 16 and over;
- Purchase of equipment to sustain a tenancy.

Rogue landlord database

Database of Rogue Landlords and Property Agents. Only local authorities can make entries to the database. If a landlord has been identified within the Rogue landlords database the local authority will be unable to assist with a bond or rent in advance due to conflict of interest and poor practice. Therefore prior to a bond/ Rent in advance being guaranteed the local authority will check the database in order to establish whether financial assistance can be given. Payment will be refused if the prospected landlord’s details have been logged within the database.

Officers must obtain the prospective landlords details prior to agreement to assist with financial funds in order to check with the private sector housing team as to whether the landlord has been placed onto the Rogue landlords list, the outcome must be noted on PRAH within the notes section & the email attached to the documents section.

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