

### **UPDATE REPORT – CUSTOMERS WITH COMPLEX NEEDS OWED DUTIES UNDER HOMELESS REDUCTION ACT 2017**

Report of the Director of Housing Services

#### **1. SUMMARY**

- 1.1** Board members received a report on 24<sup>th</sup> November 2022 regarding customers with complex needs, owed duties under the Homeless Reduction 2017. This report provides an update on available pathways and current and planned workstreams.

#### **2. RECOMMENDATIONS**

- 2.1** To note the contents of this report
- 2.2** To note the increased rent charges at Milestone House
- 2.3** To note a bid to the Department of Levelling Up, Housing and Communities, (DLUHC), Single Homeless Accommodation Programme, (SHAP), to increase the available pathways for customers with complex needs.

#### **3. REASON FOR RECOMMENDATION**

- 3.1** To ensure Board Members are fully aware of the challenges of discharging statutory duties under the Homeless Reduction Act, (HRA), 2017 to customers with complex needs.

#### **4. MATTERS FOR CONSIDERATION**

- 4.1** The number of households approaching the local authority for assistance under the HRA 2017 in 2022/3 was 2,431. We are projecting similar levels of approaches this year based upon the first two quarters of 2023/4.
- 4.2** The Council is required to offer interim accommodation to households who are eligible, homeless, and in priority need.
- 4.3** Interim accommodation can take a variety of forms including Milestone House, Public Health commissioned Centenary House (which has a specific alcohol misuse focus), local authority owned accommodation, Air B&B bookings, (known as nightly paid accommodation), and bed and breakfast establishments, which form part of a commissioned framework for this purpose. Emergency shelter is also available through the 'Safe Space' project, for up to 6 rough sleepers, whilst they are assessed for the most appropriate interim accommodation option.

- 4.4** Milestone House is a 43-bed homeless hostel, located on Green Lane, within the city. It provides interim accommodation for single people, or childless couples, in self-contained rooms, with on-site support during the hours of 8am to 8pm – 7 days per week. The on-site support is provided by Derby Homes.
- 4.5** At the end of September, there were 300 households in interim accommodation other than Milestone House and Centenary House; 95 of these were single households; 56 of these single households were in B&B placements; 30 were in Local Authority owned housing, and a further 9 accommodated in air B&B arrangements.
- 4.6** The lead reasons for households approaching for assistance are end of tenancy in the private rented sector, and family and friends no longer willing, or able to accommodate.
- 4.7** Our work to minimise rough sleeping in the city continues; however, we are seeing an increase in rough sleeping. Between June and September 2023, the average number of individuals found rough sleeping on any given night was 10. The highest number found on a single night during that period was 23. In November 2022, the average figure was 6.
- 4.8** Drivers for the increase in numbers sleeping rough is a complex landscape. We are seeing an increase in rough sleepers who have received positive asylum applications, and an increase in those rough sleeping with no local connection to Derby. In addition, the lack of affordable housing options and pressures of affordability within the private rented sector are also contributing factors, as are substance misuse, and poor mental health. We are also seeing new entrants to rough sleeping where temporary arrangements, (sofa surfing), are breaking down, which may be compounded by the cost-of-living crisis.
- 4.9** We continue our multi-agency approach to problem solving rough sleeping, through the work of the multi-agency rough sleeping hub, (MARSH), and continue to provide outreach services through our Resettlement and Enablement Support Team, (REST).
- 4.10** Several positive moves on pathways have been developed with housing partners, providing housing related support appropriate to the housing and support needs of those presenting. The flow of new entrants, however, continues, with many in move on supported housing not ready to move onto independent living, and availability of longer-term independent living options now severely limited. Low levels of social housing turnover and increasing challenges of a growing gap between private sector rent levels, and the amount that will be covered through housing benefit, or universal credit, continue to add pressure to the system.
- 4.11** We continue to find some customers who are not managing to maintain their housing offer, resulting in return presentations for homeless assistance and interim accommodation. In-reach support is offered to try and stabilise individuals their accommodation, but sometimes they have unmet, and/or, undiagnosed needs that are presenting additional challenges to their stabilisation. Sometimes a lack of ability to engage with support services, and/or, treatment services is compounding the failure of their accommodation placements.

- 4.12** The number of customers with complex needs continues to result in higher level of placements into Milestone House for this cohort, due to the onsite support service and security arrangements. In turn, this continues to impact on higher-than-average levels of reported violence and aggression reports.
- 4.13** Violence and Aggression procedures are followed which result in a variety of sanctions, from warning to exclusions; all are appropriately managed and reviewed through both the Health and Safety Forum and Senior Management team meetings, routinely.
- 4.14** Security provision continues to be provided at Milestone House 24hrs a day. Weekly rent levels for Milestone House were reviewed in February 2023 and aligned with all eligible costs in the base rent, resulting in an increase from £325.92 (2022/23) to £481.67 from 3 April 2023. Most of the extra income realised from the rent increase has been passed through from the Council to Derby Homes, by re-introducing a management fee for operating the site.
- 4.15** Derby City Council, supported by Derby Homes, has bid into the Supported Housing Accommodation Programme, (SHAP), opportunity, launched by DLUHC, to provide housing and support options to those rough sleeping, or at risk of rough sleeping suffering severe and multiple disadvantages. The bid, if successful, will enable the purchase and refurbishment of a 12-bed unit in Derby, to provide interim accommodation for vulnerable adults with complex needs owed duties under the HRA 2017.
- 4.16** There will be provision for care staff, support staff and housing management on-site. The individual accommodations will be self-contained but will also benefit from shared kitchen and lounge facilities for residents. Bid determinations for both capital and revenue are expected in January 2024.
- 4.17** Meeting the needs of this cohort in specialist supported accommodation will have a positive effect at Milestone House. Milestone House is not appropriate for this cohort but continues to provide a safety net for this cohort.

## **5. IMPLICATIONS**

### **FINANCIAL AND BUSINESS PLAN**

- 5.1** The increased rental charge from April 2023, increases the expected annual rental income from £565,000 to £845,000; an increase of £280,000.
- 5.2** Derby Homes and the Council have agreed that from April 2023, all revenue costs of operating Milestone House, including utilities, council tax and revenue repairs, which were previously paid for by the Council, plus the operating costs directly incurred by Derby Homes would be met by Derby Homes; this is estimated at £950,000 to £1,000,000 annually.
- 5.3** The Council has agreed to pay a fixed fee, which will not be annually uplifted by inflation; this figure is still to be finalised, but currently estimated at £191,250.
- 5.4** Therefore, the net cost to Derby Homes is circa £0.8m a year, in operating the site on behalf of the Council.

The areas listed below have no implications directly arising from this report:

Consultation  
Legal and Confidentiality  
Council  
Personnel  
Environmental  
Equalities Impact Assessment  
Health & Safety  
Risk  
Policy Review

For more information please contact:

Clare Mehrbani/Director of Housing Services  
Telephone 01332 888596  
Clare.mehrbani@derbyhomes.org

Background information:	N/A
List of appendices:	None

This report has been approved by the following:

Finance Director & Company Secretary	Michael Kirk	01.11.2023
Company Solicitor	Taran Lalria	14/11/2023
Governance (checked)	Jane Haywood	01.11.2023