

REPORT TO PORTFOLIO HOLDER FOR COMMUNITY

REPORT FROM ASSISTANT DIRECTOR, COMMUNITY AND HOUSING SERVICES

SUBJECT: HOUSING OPTIONS PREVENTION FUND POLICY

1 DECISION BEING RECOMMENDED

- 1.1 To agree the Housing Options Prevention Fund Policy; as set out in the Appendix to this report.

2 KEY DECISIONS DOCUMENT REFERENCE No: 14/17

3 REASON/S FOR RECOMMENDATION

- 3.1 The ongoing allocation of homeless prevention incentives has been operating successfully to prevent homelessness. However, the publication of a Policy enables the Council's approach to be transparent and ensures that types of funding and eligibility are described in sufficient detail and are administered properly.

4 SALIENT INFORMATION

- 4.1 Housing Option officers aim to provide tailored and constructive advice to residents facing homelessness, but sometimes this is not sufficient to resolve homelessness without a package of targeted financial assistance.
- 4.2 In all cases, the purpose of this prevention policy is to assist in reducing the number of households placed in bed and breakfast and/or temporary accommodation, or delay homelessness until a planned move can be made.
- 4.3 This policy outlines the scope of assistance the Council can provide, which includes both repayable and non-repayable assistance, eligibility, application and standards.

5 RISK IMPLICATIONS

- 5.1 The lack of ongoing flexible preventative initiatives will mean that the Council will need to house greater numbers in temporary accommodation.
- 5.2 Repayable financial assistance will normally be made by way of an interest free loan, repayable by instalment, and Housing Option officers are responsible for undertaking all reasonable due diligence in preparing the authorisation for payments, which includes collecting proof and evidence to show compliance with this policy and procedure. The implementation of Universal Credit in the District in July 2018 may, however, impact on the recovery rates of clients and this will need to be monitored.

6 RESOURCE IMPLICATIONS

- 6.1 The Policy focus is on early intervention through an increase in homelessness prevention work. The prevention work to date (end of November) has helped prevent 128 households having to go into bed and breakfast accommodation, resulting in prevention savings for the Council totalling £131,000.
- 6.2 The current Homeless Prevention Fund budget allocation totals £50,000 and is fully paid and committed for 2017/18. A further allocation of £50,000 has been allocated for 2018/19.

7 LEGAL IMPLICATIONS

- 7.1 The Council has duties and powers under Part 7 of the Housing Act 1996 ("the Act") to provide advice and assistance to anyone who is homeless or facing homelessness. Alongside this Act, a body of guidance and good practice has developed which promotes a pro-active, flexible and interventionist approach to homelessness. The Homeless Reduction Act 2017 further strengthens the prevention approach with new duties.
- 7.2 This policy sits alongside the Council's other statutory duties with respect to investigating and determining homeless applications.

8 EQUALITY AND DIVERSITY IMPLICATIONS

- 8.1 The aim is to maintain the policy ensuring that no potential or current homeless person is treated less favourably than any other applicant and that targeted help and assistance ensures that all households are able to access the relevant prevention assistance. Information can be translated or made available in other formats, where necessary.

I confirm that the above recommendation does not depart from Council policy and that appropriate consideration has been given to any budgetary and legal implications.

LT Lead Officer Signature: _____



Date: 5 January 2018

Background Papers:

None.

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Housing Options

Prevention Fund Policy



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1 Introduction

- 1.1 Preventing homelessness through early intervention is essential and Housing Options officers will always provide tailored advice and support. Sometimes this is not sufficient to resolve homelessness without a package of targeted financial assistance.
- 1.2 This document outlines the scope of the financial assistance Rochford District Council (“the Council”) can provide to support the homelessness prevention agenda and details the criteria for making such assistance available.

2 Purpose

- 2.1 In all cases the purpose of the Homeless Prevention policy is to:
 - Prevent homelessness by improving the range of available early interventions.
 - Support vulnerable people
 - Assist the Council in reducing the number of households placed in bed and breakfast and/or temporary accommodation, or delay homelessness until a planned move can be made.
- 2.2 The Council has duties and powers under part 7 of the Housing Act 1996 to provide advice and assistance to anyone who is homeless or facing homelessness. Alongside this Act, a body of guidance and good practice has developed which promotes a proactive, flexible and interventionist approach to homelessness.
- 2.3 This policy sits alongside the Council’s other statutory duties with respect to investigating and determining homeless applications.

3 Eligibility

- 3.1 The Council will target assistance to households on the following criteria:
 - The household must be homeless or threatened with homelessness as assessed by the Council’s Housing Options staff.
 - The household must include someone who would be ‘in priority need’ within the meaning of Part 7 of the Act (homelessness).
 - The household must have a local connection with the Council, meaning having resided continuous, in the District for 6 out of the past 12 months or longer.
 - Where there is no other source of funding reasonably available. To include:
 - To be on low income i.e. income related benefit or out of work and in receipt of benefits.
 - To have applied for a discretionary housing payment (DHP) and not been successful.

- No breaches of any past tenancy i.e. with anti-social behavior or by causing damage.
- No outstanding debt owed to the Council, from previous rent in advance scheme or a claim made on a previous deposit guarantee.
- No history of eviction from a property in the last three years because of rent arrears.

4 Prevention measures

- 4.1 In all cases the aim is to provide a preventative solution to a housing need.
- 4.2 There are two elements of the fund, rechargeable and non-rechargeable.
- 4.3 The rechargeable element will always include a detailed check on affordability and with this information; Housing Options officers will agree a repayment plan with the applicant. A rechargeable fund will be:
- Rent deposit and rent in advance scheme
 - Rent arrears
 - Rent deposit scheme
- 4.4 Non-rechargeable funds will be:
- Deposit (paper) bond scheme
 - Landlord/agency incentive fees to secure privately rented accommodation

Rent Deposit and Rent in Advance Scheme

- 4.5 This scheme helps residents who are unable to raise the rent in advance and deposit for private rented accommodation. It will offer both deposits equivalent to one month's rent and one month's rent in advance.
- 4.6 The Council can provide an interest free loan to eligible residents, depending on household size:
- Single shared room rate up to £290.00
 - 1 bedroom need up to £505.00
 - 2 bedroom need up to £660.00
 - 3 bedroom need up to £810.00

- 4+ bedroom need up to £1040.00
- 4.7 In exceptional cases, a maximum payment up to six months rent in advance may be considered and would be subject to:
- The household being on full housing benefit where the Housing Options Section would claim back the rent direct from the Council's Revenue & Benefit Department.
 - This would only be considered for properties that are within the Rochford District.
 - This would need to be agreed with the Housing Options Team Leader before legal binding agreements are signed.
- 4.8 In certain circumstances consideration will be given for assistance out of the District e.g. moving into another area for work/moving to be near family.

Rent Arrears

- 4.9 An interest free loan to eligible residents, as a one of payment to assist in clearing rent arrears. The amount of the loan that the Council can provide is subject to household size (see 4.6).

Deposit (paper) Bond Scheme

- 4.10 This scheme replaces the cash deposit, with a written guarantee by the Council. The deposit can represent up to one and half month's rent, to cover any damage to the property.
- 4.11 It will not cover rent arrears, acts of theft or outstanding bills. If the Landlord needs to make a claim at the end of the tenancy against any damage the tenant will be liable to repay this back to the Council.

Landlord/agency incentive

- 4.12 The Council may consider incentives up to a maximum of £1,000 for a twelve month tenancy or £1,500 for a twenty four month tenancy. In all cases the incentive is to secure a new home, which is free from severe housing hazards and both affordable and suitable to meet the households need.
- 4.13 The Landlord/agent must be prepared to issue a written Tenancy Agreement.

5 Application

- 5.1 There is no limit on the number of applications which can be made by applicants to the Council, however no other Housing Options Prevention fund payment, loan or bond set out with in this policy document can be outstanding at the time of an application.

- 5.2 Housing Options officer will always carry out a detailed credit check with all applicants, which should demonstrate that the household has scope to afford and, therefore, sustain the accommodation for the foreseeable future. In addition to this financial check other mandatory information includes:
- Landlord/tenancy details
 - Total of any rent arrears and reasons for non payment
 - Copies of rent statements
- 5.3 All available information will be assessed in five working days and officers will contact the Landlord to agree further conditions of payment to ensure security of tenure.
- 5.4 The Council will ask all applicants to sign a legally binding agreement detailing the amount of the loan and also the weekly repayments to the Council. The Council will ask the Landlord to sign a legally binding agreement. Once all parties have signed funds will be released.

6 Default in Repayment

- 6.1 Any default in repayment of the loan will be classed as a housing related debt and may result in legal action being taken. All debts will impact on any application made to the Councils housing register.

7 The Property

- 7.1 If an application is successful and a property has been identified by a client and the Landlord has offered the property. The Council will require:
- Copy of the tenancy agreement
 - Gas safety certificate
 - Energy performance certificate with a rating in the range of A-E. Properties rated F or G will not be considered suitable
 - The Landlord must be prepared to issue a written Tenancy Agreement
 - Electric safety certificates
 - Inventory
 - Smoke detector
 - Carbon monoxide detector (if applicable)
- 7.2 The Council will normally inspect any property for which an application to this scheme is made. The Council will not consider the property suitable if:
- The property is not licensed as a house in multiple occupation (HMO)

- The property is unsuitable to meet the households needs
- The property would be overcrowded
- Severe housing hazards have been identified, as assessed under the Housing, Health & Safety Rating scheme (HHSRS)
- The property would be unaffordable

8 Funds

- 8.1 Financial assistance will normally be made by way of an interest free loan, repayable by instalment. Funds are transferred directly to lettings agents, landlords, and cannot be paid to the customer directly.
- 8.2 Availability of funds to make loans will be dependent upon the current budget. The Council will review its budgets regularly, however some or all options may be withdrawn subject to the resources being unavailable.



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