

Funding reforms for temporary accommodation

Challenges and solutions



Neil Morland

HOUSING CONSULTANT LTD

Overview

- Key Drivers
- Timeline of reforms
- Implications
- Solutions



Introduction

- What is your name?
- What is your role?
- What are you hoping to gain from attending this workshop?

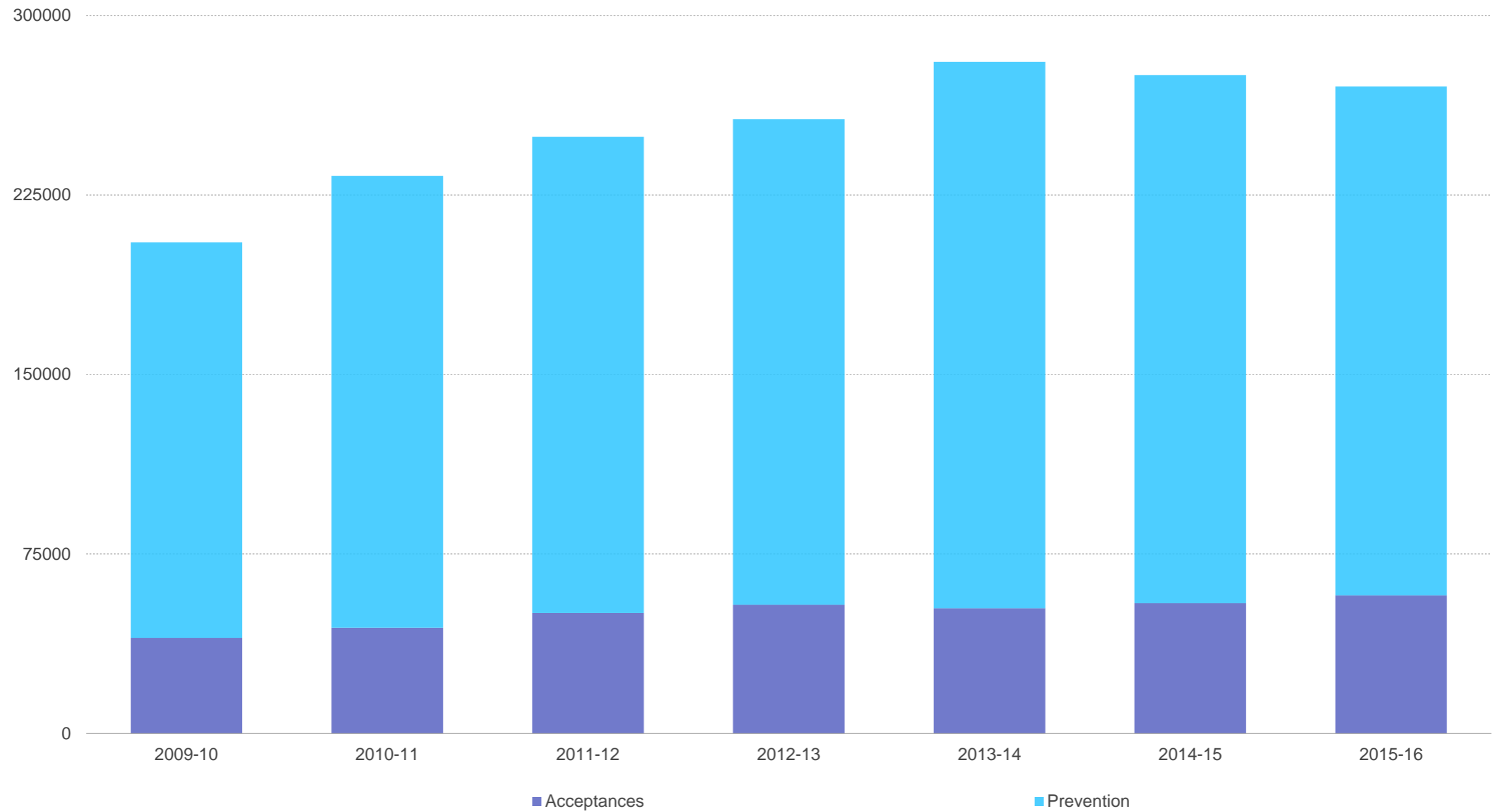
temporary accommodation verses supported housing

- Temporary accommodation = provided under public law to fulfil statutory housing duties
- Supported housing = provided in accordance with local policy and strategy

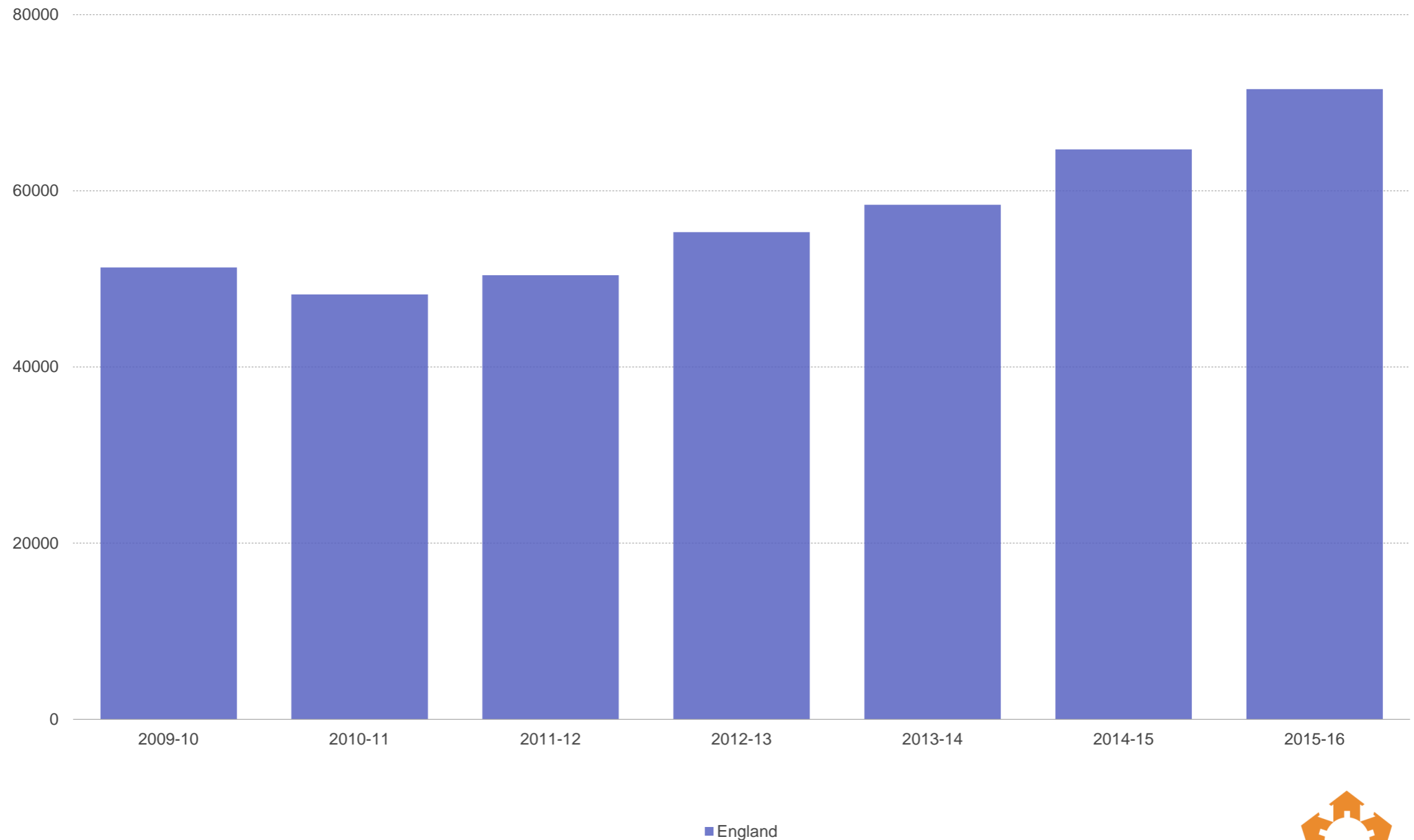


Homelessness Levels

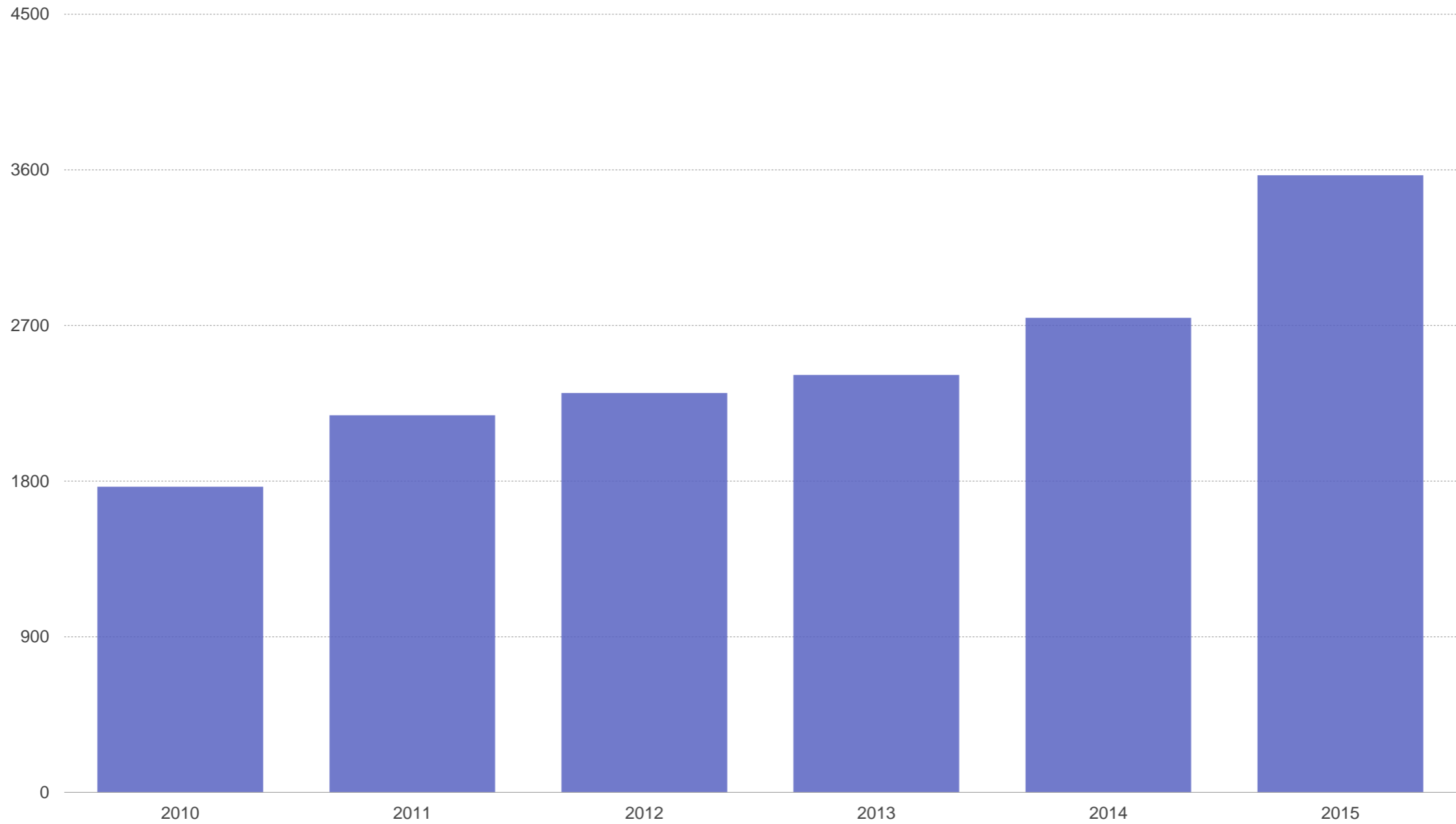
England



Temporary Accommodation



Rough Sleeping



■ England



Timeline of reforms

- April 2016, Housing Benefit and Local Housing Allowance payment rates frozen for four years until March 2020.
- April 2016, social housing rents to be reduced by 1% each year for four years until March 2020. This rule will not be applicable to people living in temporary accommodation.



Timeline of reforms

- April 2016, £800m funding (an average an extra £5m per year compared to current levels) will be available for Discretionary Housing Payments over the next five years.
- November 2016 onwards, the benefit cap to be reduced for families to £23k inside London and £20k outside London, and for singles to £15k and £13k respectively. Discretionary Housing Payments are disregarded from the cap.



Timeline of reforms

- April 2017, 18-20 years old will be exempt from claiming for help with housing costs unless they are vulnerable. DWP have yet to announce definition of vulnerable for this purpose.
- April 2017, Universal Credit (including the housing element) will be limited to two children (applicable to both new claims and new children).



Timeline of reforms

- April 2017, temporary accommodation subsidy to become a grant administered by local authorities.
- April 2019, housing benefit claims for social housing tenants will be capped at relevant Local Housing Allowance rate.



Timeline of reforms

- 2021, Universal Credit roll-out completed to all families and single claimants. Help for housing costs (along with five other welfare benefits) are paid in one payment directly
- Payments for housing costs can be made directly to landlords, requests for applicants living in temporary accommodation should be considered sympathetically. Housing costs are calculated based on the claimants' circumstances on the last day of their payment cycle. Applicants living in temporary accommodation larger than their need are subject to the under-occupation deduction. All family claimants residing in temporary accommodation will be subject to the aforementioned rules by 2021



Solutions

- Revisit existing budget forecast for temporary accommodation and supported housing. Amend budgets to reflect the forthcoming freeze in housing benefit and local housing allowance rates, restriction of two child limit on housing costs.
- Re-consider local rules for administering discretionary housing payments, to ensure applicants living temporary accommodation and supported housing are suitably prioritised for any claims made



Solutions

- Forecast the number of people living in temporary accommodation and supported housing during the past year whose income from welfare benefits would have exceeded the new lower overall benefit cap. These findings can be used to inform future procurement strategies for temporary accommodation and supported housing, plus provide foresight as to how money advice might need to be offered in future.
- Revise information and advice provided to young people at risk of homelessness to take account of the forthcoming exemptions to be applied for claiming help with housing costs. Consider if schemes that help young people to maintain their existing accommodation (e.g. mediation, home visits, etc) could be improved to enable more successful homelessness prevention outcomes.



Solutions

- Review the dwellings types within existing temporary accommodation portfolio to ensure the applicants are not placed in temporary accommodation with more bedrooms than their housing need. This will help to avoid the under-occupancy charge, plus help applicants who are only entitled to the shared accommodation rate.
- Evaluate how much temporary accommodating subsidy has been received since 2010 and consider how any future potential reductions in the amount of TA subsidy available will affect the service.



Solutions

- Establish procedures to request direct payment for housing costs from applicants living in temporary accommodation who are in receipt of Universal Credit.
- Re-profile current charges for temporary accommodation and supported housing to reflect the forthcoming alignment of housing benefit to LHA rates. Maximise whatever can be claimed for the purpose of exempt/specified accommodation.





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**Specialist advice on homelessness,
housing support and social housing**