

# Homelessness Review 2023

# **Contents**

1	Introduction	3
2	Background and context	4
3	Current extent of homelessness	13
4	Prevention of homelessness	25
5	Accommodating homeless households	28
6	Supporting homeless households	37
7	Costs and resources	42
8	Projections and gaps in service provision	46

Appendix A - Lettings Plan 2023/24

Appendix B - Example of a homeless household pathway

## 1 Introduction

- 1.1 Sutton Council published its latest homelessness strategy in 2020 at a time when the Covid pandemic was beginning to take hold. Much has changed since then necessitating a refresh of the strategy in order to reflect the post-pandemic world.
- 1.2 As a precursor to producing the 2020 strategy, a major review of homelessness was undertaken during 2019 involving extensive consultation with stakeholders and others. Its purpose was to gather information and views on all aspects of homelessness at the local level to inform the direction of the strategy.
- 1.3 In order to refresh the 2020 strategy a desktop update of the review has been undertaken, the findings of which are set out in this document. The majority of this work was undertaken by staff within Encompass, the local authority trading company, set up in 2016 to deliver statutory housing services on the Council's behalf.
- 1.4 The duty of a local housing authority to carry out a review of homelessness in its area and formulate a homelessness strategy is contained in s1, Homelessness Act 2002, while the Homelessness Code of Guidance (last published in Feb 2018 with subsequent online updates) sets out the essential requirements of a review. In summary a review should comprise an assessment of:
  - · current and projected future levels of homelessness
  - activities undertaken to prevent homelessness, secure accommodation for homeless households and provide support to the homeless and potentially homeless
  - the resources available for the above activities.
- 1.5 Following a summary of the contextual and legislative background, chapter 3 describes the current extent of homelessness nationally, regionally and locally alongside trends over the last five years. The following four chapters focus in turn on: (i) prevention, (ii) accommodation provided to homeless households, (iii) provision of support, and (iv) the cost of homelessness and the resources applied to tackling the issue. To inform the homelessness strategy the final chapter attempts to project key trends and analyse gaps in service provision.
- 1.6 Drawing from the outcome of the review, a revised and updated homelessness strategy is due to be published in June 2023 following approval of the Council's Housing, Economy and Business Committee.

# 2 Background and context

2.1 For decades homelessness has been the subject of a great deal of legislation, government guidance and national policy. In addition, a substantial body of case law has built up setting parameters for individual decisions on homelessness. By way of background to the review this chapter sets out both the legislative and national policy context surrounding homelessness. It then goes on to examine the policy context at the regional and local level. Finally, the chapter briefly examines some of the wider factors that influence homelessness.

## Legislative background

2.2 There is a wide range of primary legislation covering homelessness and related housing activity; the essential provisions are summarised below.

#### Housing Act 1996

- This sets out, in Part VII, a local housing authority's duties to prevent homelessness and provide assistance to households actually homeless or threatened with homelessness. It covers eligibility criteria, how priority need is determined, the meaning of 'threatened with homelessness', intentionality and local connection. The 1996 Act includes the duty to provide 'interim' accommodation in certain circumstances (s188) and 'temporary accommodation' (s193) where a household is accepted as qualifying for the main homelessness duty.
- Part VI of the Act governs the qualifying criteria that determine which households may be included within a local authority's housing register. It also sets criteria around the degree of priority to be given to households in allocating social housing.
- Parts VI and VII of the 1996 Act have since been substantially amended by the Homelessness Act 2002, the Localism Act 2011 and the Homelessness Reduction Act 2017, as well as being augmented by regulation.

#### Homelessness Act 2002

• The Homelessness Act 2002 - and the subsequent secondary legislation Homelessness (Priority Need for Accommodation) (England) Order 2002 - introduced the requirement on local authorities to regularly review the levels (and likely future levels) of homelessness in their areas, and to formulate a homelessness strategy. It strengthened the assistance to be made available to people by extending the definition of 'priority need' to include homeless 16 and 17 year olds, care leavers up to the age of 20 and those deemed vulnerable as a result of leaving either a care setting, the armed forces or prison as well as those fleeing domestic violence.

#### Homelessness (Suitability of Accommodation) (England) Order 2003

 This deemed bed and breakfast (Emergency Accommodation) accommodation as unsuitable for families with children or a household containing a pregnant woman unless there is no alternative, and requires that no such households should be kept in Emergency Accommodation for longer than six weeks. The Government has also since deemed Emergency Accommodation accommodation unsuitable for 16 and 17 year olds.

#### Equality Act 2010/Human Rights Act 1998

- Requires that housing authority policies and decisions do not amount to unlawful
  conduct and that the public sector equality duty is complied with in relation to
  homelessness administration. In exercising their functions, authorities must have
  due regard to the need to eliminate discrimination, advance equality of opportunity
  and foster good relations between persons of different protected characteristics.
- Housing authorities are also expected to consider the human rights implications of their actions in the exercise of their powers or risk having decisions overturned by the courts.

#### Localism Act 2011

- The Localism Act amended the Housing Act 1996 by giving local authorities the power to end the main housing duty by arranging an offer of suitable accommodation in the private rented sector.
- The Secretary of State was given the power to issue regulations to specify details regarding the homelessness provisions, and has done so to prescribe:
  - additional categories of people in priority need
  - -persons from abroad who are eligible for assistance
  - -suitability of accommodation criteria.

#### Welfare Reform Act 2012

- The provisions of this act, which have had significant implications for housing and homelessness, include:
  - -introduction of Universal Credit to provide a single streamlined benefit paid to claimants directly including for housing costs;
  - -Local Housing Allowance (LHA) reductions including total LHA caps and the limiting of LHA to the 30th percentile of market rents;
  - -the Benefit Cap, limiting maximum benefits that a household can receive, with benefit removed from housing benefit payment or the housing element of Universal Credit;
  - -removal of the Spare Room Subsidy (popularly known as the 'Bedroom Tax') reducing housing benefit entitlement to social housing tenants considered to be under occupying their homes;
  - -the Single Accommodation Rate limit applied to people under the age of 35 regardless of the size of the property being rented.

#### Health and Social Care Act 2012

 Confers a legal duty on local authorities to take steps to improve the health of their populations, including those who are homeless or at risk of homelessness.
 Authorities are expected to coordinate homelessness strategies with their health and wellbeing strategies and that their reviews of homelessness are informed by their (health-related) Joint Strategic Needs Assessment.

#### Children Acts 1989, 2004 and 2014

- These acts confer on local authority social services an ongoing general duty to safeguard and promote the welfare of 'children in need' (including those of 16/17 year olds and their families) in their area, which can include providing accommodation.
- They require social services authorities to involve families and children in discussions and decisions relating to their care and education; and provide impartial advice, support and mediation services. Councils must inform young people and parent carers of the support they are entitled to.

#### Care Act 2014

• The Care Act sets out in one place, local authorities' duties in relation to assessing people's needs and their eligibility for publicly funded care and support. Prior to the implementation of the Act, there was a duty to provide accommodation under s21, National Assistance Act 1948 for a person aged 18 or over who needed "care and attention" because of illness, disability, old age or another reason, as long as the care and attention was not "otherwise available". The Care Act replaced the specific statutory duty to provide accommodation with a general duty to "meet the needs" of a person who needs care and support.

#### Welfare Reform and Work Act 2016

• This act conferred reporting responsibilities on local authorities on their support for 'troubled families', employment and apprenticeships and children living in low income households. It reduced the Benefit Cap limits from £26,000 to just £23,000 p.a. for London households (£20,000 for households elsewhere in the country). At the same time it froze a number of welfare benefits, including LHA rates, and reduced social rents by 1% p.a. for four years.

#### Homelessness Reduction Act 2017

- This act introduced some significant changes to homelessness legislation, extending the duties of local housing authorities. The key measures were:
  - -an extension of the period where a household can be deemed to be threatened with homelessness from 28 to 56 days;
  - -a new duty to prevent homelessness for all eligible applicants threatened with homelessness, regardless of priority need;
  - -a requirement to carry out an assessment and agree a "personalised housing plan" for all presenting households who are homeless or threatened with homelessness regardless of priority need;
  - -duties to take reasonable steps to prevent homelessness, and relieve homelessness where it has occurred, again regardless of priority need;
  - -allows for care leavers to have a local connection with either the area of the responsible authority or where they had lived when in care if different;
  - -a 'duty to refer' requiring public services to notify a local housing authority if they come into contact with someone they think may be homeless or at risk of becoming homeless.

#### Children (Leaving Care) Act 2001 / Children and Social Work Act 2017

The Children (Leaving Care) Act 2001 placed a duty on local authorities to ensure that care leavers are provided with suitable accommodation, which does not include temporary accommodation. The Children and Social Work Act 2017 extended the period of corporate parenting responsibility on local authorities, to all care leavers up to age 25 if they want this support. Corporate parenting responsibilities and principles apply to the whole of the local authority and are particularly important for local authority departments whose services have a significant impact on care leavers' outcomes, such as housing/homelessness services.

#### Domestic Abuse Act 2021

• The Domestic Abuse Act 2021 created a statutory definition of domestic abuse and gave local councils greater powers to protect and support survivors. In relation to housing, it placed a duty on local authorities in England to provide accommodation based support to victims of domestic abuse and their children in refuges and other safe accommodation. It also required that where a local authority, for reasons connected with domestic abuse, grants a new secure tenancy to a social tenant who had or has a secure lifetime or assured tenancy (other than an assured shorthold tenancy) this must be a secure lifetime tenancy.

#### Renters' Reform Bill 2023

• The key measures contained in the recently published Renters' Reform Bill may have significant implications for homelessness. The intention to abolish 'so-called' section 21 evictions on the face of it may provide more security for households renting privately and thus reduce homelessness due to the ending of assured shorthold tenancies. However, there are potentially loopholes for landlords to circumvent the legislation, and there are also fears that more landlords may decide to sell up thus reducing the size of the private rented sector.

#### Other sources of legislative provision

2.3 Other legislative provisions in relation to homelessness are found in regulations and orders, known as statutory instruments, an example being the aforementioned Homelessness (Priority Need for Accommodation) (England) Order 2002. Also, judgments of the courts may form a precedent (binding on lower courts) in terms of how a legislative provision is to be interpreted. This is known as 'case law' and there have been many instances over the years of often-quoted judgements that authorities need to take into account in their decision making.

## National and regional policy context

- 2.4 Although it produced a rough sleeping strategy in 2018 (see below), the Government has no published strategy on tackling homelessness more widely. The most recent national housing strategy, *Laying the Foundations*, was published back in 2011 under the Coalition Government, and had no specific chapter or section on tackling homelessness. Its essential focus was on the pressing need to produce more homes, including affordable housing, which can indirectly help to prevent or at least reduce the increase in homelessness.
- 2.5 The Government's 2017 White Paper Fixing our broken housing market continued the emphasis on new supply and only at the very end of the document is there a brief

- mention of homelessness. This includes the Government's stated support for the Private Member's Bill that eventually became the Homelessness Reduction Act.
- 2.6 More recently, the Government has provided additional funding support to local authorities to help prevent homelessness and tackle rough sleeping. Also, during the pandemic it adopted a policy known as "Everyone in" in which it sought to prevent the spread of Covid through the homeless and rough sleeping population by providing immediate emergency hotel and other accommodation working with local authorities.

#### **Homelessness Code of Guidance**

2.7 The Homelessness Code of Guidance for Local Authorities, referred to above, provides statutory guidance on how to interpret and apply homelessness legislation, and contains details of good practice that local authorities should adopt. The current guidance reiterates the continuing duty on housing authorities to undertake and publish homelessness reviews and strategies. It also updates on the Homelessness Reduction Act duties including outlining the circumstances under which the local authority can bring the prevention or relief duty to an end.

#### **No Second Night Out Policy**

- 2.8 In 2011 the Coalition Government adopted the idea of 'No Second Night Out', this meant having the right services in place to:
  - identify new rough sleepers and get them off the streets immediately
  - engage the public who can inform services if they see any rough sleepers
  - take rough sleepers to a safe place and assess them for further help
  - enable rough sleepers to access emergency accommodation
  - ensure rough sleepers can get housing and support near their family and friends.
- 2.9 The concept was for teams of outreach workers to bring rough sleepers to assessment hubs where they would be assisted to exit rough sleeping including through reconnection with their home areas. From 1st June 2012, No Second Night Out was rolled out to all London boroughs and subsequently nationally. This specific initiative is no longer funded and has been replaced in part by StreetLink, a referral service that can be used by the general public where enquiries are then followed up by locally funded outreach teams.

#### **Rough Sleeping Strategy**

2.10 In July 2018 the Government launched a new national strategy to tackle the increasing numbers of people sleeping rough. This strategy requires local housing authorities to adopt a clear focus in tackling rough sleeping in order to support the Government's stated aim of ending rough sleeping by 2027, including drafting strategic actions in their own homelessness strategies to support the initiative locally. In September 2022, the Government went on to publish *Ending Rough Sleeping for Good*, a further strategy with a range of proposed measures to improve prevention, strengthen the approach to intervention and recovery and promote more joined up working between agencies.

#### **National Homelessness Advice Service**

2.11 The Department for Levelling Up, Housing and Communities (DLUHC) funds Shelter to provide the National Homelessness Advice Service (NHAS). This offers a range of

free specialist services to local housing authorities, voluntary sector advice agencies and public authorities with a duty to refer. Since April 2017, NHAS has provided specific training and roadshows that focus on new duties under the Homelessness Reduction Act. Alongside this, NHAS also offers free information resources and provides an advice line that provides homelessness, debt and welfare benefit advice for front line staff. The advice line is accessible via telephone, email and online webchat.

#### **London Housing Strategy**

2.12 The London Housing Strategy, published in May 2018, sets out the Mayor's plan to tackle London's housing crisis and to provide affordable housing to its residents. The Mayor wants to develop new homes and to help people who have no home and people who are sleeping on the streets. To achieve his aims the Mayor is intending to press the Government for more funding for boroughs to deliver on their Homelessness Reduction Act duties, lobby for the reform of private renting and the reversal of welfare cuts and increase affordable housing provision. He is also seeking to coordinate procurement of accommodation for the homeless and build a fairer funding regime.

#### The Mayor's Life off the Streets Rough Sleeping Services

2.13 The Mayor of London's Life off the Streets Rough Sleeping Services comprises a host of service-related activities aimed at tackling and reducing rough sleeping in the capital. The initiatives include: street outreach, immediate routes away from rough sleeping (including running the No Second Night Out and the Severe Weather Emergency Payment or SWEP schemes), long term accommodation solutions and a range of support measures to help rough sleepers rebuild their lives.

#### **Housing First Pilots**

- 2.14 The 'Housing First' approach to tackling rough sleeping, which originated in the USA, is one where rather than simply wait until a homeless person has become 'tenancy-ready', which can take a long time for very vulnerable individuals, accommodation is provided at the outset alongside appropriate support. In the UK a number of housing first pilots have been run over a few years notably in Liverpool, Greater Manchester and the West Midlands and have proved to be highly successful.
- 2.15 Rough Sleeper Initiative funding is currently supporting five housing first properties, sourced from the Council's own stock, with intensive support being provided through SPEAR's Housing First Support Worker. To date, two properties have been let through the scheme, with potentially up to three more when suitable clients are identified.

#### **Capital Letters**

2.16 Capital Letters is a collaboration between London boroughs working together with the aim of improving housing options for homeless households. Capital Letters has been established as a not-for-profit organisation with a social purpose that will procure accommodation on behalf of participating boroughs. The initiative should reduce competition between councils and produce better outcomes for London's homeless households. Through this joint working, boroughs will become more efficient in securing accommodation within London and will be able to place households closer to home.

#### **PLACE** initiative

2.17 PLACE (the Pan-London Accommodation Collaborative Enterprise) is a new approach to tackling homelessness through acquiring modular temporary accommodation. Through PLACE, participating London boroughs will use modular housing units to increase the supply of high-quality, temporary accommodation options for people needing a home. The scheme's modular homes will be of high quality, will meet the London Plan's space standards and can be moved from one site to another as required. PLACE is being supported by the GLA and London Councils and is being led by Tower Hamlets BC.

## **Local Policy Context**

#### **Corporate Plan**

2.18 The Council's corporate plan, <u>Ambitious for Sutton</u>, has as one of its six priorities "quality and affordable housing". Within this is the ambition to "work with partners to support people who are homeless or at risk of becoming homeless, intervening early before issues escalate". In addition to delivering more new homes, including through estate regeneration, it has the stated aim of updating the homelessness strategy in 2023 and delivering on it in relation to targets around prevention and support and reducing the numbers in temporary accommodation.

#### **Housing strategy**

2.19 The Council's housing strategy contains a number of key strategic aims, one of which is to "provide housing options advice and address homelessness". Under this broad aim are a number of more specific objectives covering housing advice, homelessness prevention, accessing accommodation in the private sector for homeless households, providing suitable temporary accommodation and helping residents who face difficulties as a result of changes to benefits.

#### Supported housing commissioning strategy

- 2.20 In 2017 the Council produced a new commissioning strategy for housing support, with the aim of ensuring that practical support and guidance was provided to vulnerable adults in order to help them sustain or achieve independent living. A specific section on homelessness presented a range of data on the subject, at both national and local levels, analysed trends and attempted to assess the need for homelessness support into the future.
- 2.21 The strategy went on to describe current models of support including floating support and the operation of a single homelessness pathway. It also captured some user views on the services provided before outlining gaps in provision and some opportunities to be explored. These issues are discussed further in chapters 6 and 8.

#### Draft joint mental health and wellbeing strategy

2.22 This strategy seeks to ensure that there is a range of supported housing options for people with mental health issues alongside opportunities for 'step-down' into independent accommodation, with an improved pathway to promote recovery and thus reduce the risk of future homelessness. It also aims to improve social networks for people with mental health issues and tackle wider concerns around employment, physical health and housing.

#### Sutton health and care plan

2.23 The Sutton Health and Care Plan has a number of links to housing and homelessness, in particular its priority given to social prescribing, which forms part of the Plan's 'Age Well' theme. Social prescribing is a way of linking people into their GP practice, which can then direct them to non-medical sources of help and advice, which can have particular benefits for the homeless.

## Factors influencing homelessness/rough sleeping

- 2.24 Research suggests the causation of homelessness is complex and that there is no one single event that triggers it or is necessary for it to occur. Factors relating to an individual, their relationships, housing and employment all play a part. Housing market trends and policies have a more direct impact on homelessness, whereas economic and labour market factors have a less direct impact, are subject to delay, and can be mitigated by welfare policies. That said, a report by the National Audit Office in 2017 identified the loss of private sector assured shorthold tenancies as the single biggest driver of statutory homelessness in England.
- 2.25 Individual factors including vulnerability, mental and physical ill health, support needs, addiction and substance misuse can all play a part in homelessness, which can also be exacerbated by poverty and disadvantage. Family and other relationships, which help support people and prevent homelessness, can be strained by economic circumstances and result in relationship breakdown and loss of accommodation. There is also the issue of domestic violence, families being hostile to their LGBTQ+A members as well as the additional vulnerability of people who are care leavers. Notwithstanding this complexity some of the key influencing factors are briefly summarised below.

#### Welfare reform

- 2.26 The welfare reforms with the most significant implications for housing and homelessness were introduced by the Welfare Reform Act 2012. As listed above, these include the introduction of Universal Credit, reductions in LHA rates, LHA caps and the limiting of LHA to the 30th percentile of market rents.
- 2.27 The Benefit Cap, also introduced by the 2012 Act, limited the maximum benefits that a household can receive, with the benefit removed from housing benefit payment or the housing element of Universal Credit. A further measure was the Spare Room Subsidy or 'Bedroom Tax' reducing housing benefit entitlement to social housing tenants considered to be under occupying their homes. Also, for younger people, the Single Accommodation Rate limit was applied to those under the age of 35 regardless of the size of the property being rented, greatly restricting the range of properties that could be afforded by those on low incomes.

#### Health

- 2.28 The links between homelessness and health, both mental and physical, are complex, as many studies have shown. Mental health issues can be both a cause or a consequence of homelessness. Homelessness also has a negative impact on children who can often experience stress and anxiety leading to depression and behavioural issues which can have a lasting effect on their education and life chances.
- 2.29 Surveys carried out by Shelter have shown that 60% of people sleeping rough may have had a mental health problem, and 30% of rough sleepers have been diagnosed

with psychotic illness after sleeping rough for more than a year. Also, people with substance misuse problems can sometimes lose their homes and find difficulty with sustaining their tenancies and lead to family disputes or time spent in prison. The links between health and homelessness are explored in more detail in Sutton's latest <u>Joint Strategic Needs Assessment</u>.

2.30 The NHS Long Term Plan, published January 2019, outlined how an additional £20bn is to be spent, with a focus on prevention and encouraging coordinated working across the public sector, breaking down traditional care institutional barriers. It picks up on good practice case studies focused on supporting the health needs of the homeless and those in temporary accommodation and the potential for creating teams within hospitals to help support homeless people.

#### Unemployment

2.31 Homelessness can arise due to the loss of employment, insecure employment or insufficient income from employment or benefits to meet housing related costs. Families who are on lower incomes renting in the private sector can be at risk of landlords seeking to increase their rental income at the end of their tenancy. Conversely, the threat and anxiety of becoming homeless may affect existing employment.

#### Wider socio-economic factors

2.32 Family conflict or relationship breakdown can lead to homelessness when people have to leave their homes. People leaving institutions can lack support networks from families or communities who may have helped them to find accommodation. It has been found that care leavers often find it difficult to find somewhere to live as well as securing the necessary support to live independently. Almost half of people sleeping rough have either been in prison or in a young offenders institute. People leaving prison may not often have anywhere to live and find it difficult to find employment which in turn can make it difficult to pay for accommodation.

## 3. Current extent of homelessness

3.1 This chapter begins with a brief overview of homelessness at a national and regional level using the latest data available. It then goes on to look in detail at homelessness in all its manifestations at the local or borough level.

## Homelessness at the national and regional level

#### **Homelessness acceptances**

- 3.2 Annual homelessness acceptances in England reached a high of 135,420 during 2003/04. The number was reduced to just 42,120 in the 2021/22 financial year.
- 3.3 Since 2003/04 there has been a gradual increase in the proportion of accepted households with dependent children, reaching 51% in the 2021/22 financial year. Latest national figures show that in 2021/22 vulnerable households accounted for around 38% of all acceptances of which physical disability/ill health was the most prevalent reason for vulnerability.
- 3.4 In London, homelessness acceptances dropped from a high of 30,080 in the 2003/04 financial year to 9,460 in 2009/10. Following the national trend, the number has since risen, reaching 10,030 in the 2021/22 financial year, this accounting for 23.8% of the England total. Acceptances in Sutton accounted for just 2.0% of the London total in the 2021/22 financial year.

#### Prevention and relief of homelessness

- 3.5 Following the coming into force of the Homelessness Reduction Act, in April 2018, DLUHC reported that in 2021/22 a prevention duty was brought to an end for 122,290 households in England. Of these, 68,810 (56.3% approx) secured accommodation for six months or more, 46,110 through a move to alternative accommodation, the remainder staying in their existing home.
- 3.6 During 2021/22, the relief duty in relation to 160,900 households was brought to an end; of these cases 62,860 (39.1%) secured accommodation for a period of six months or more. Of those securing accommodation,74.9% were provided with a social tenancy while 17.9% rented a home in the private rented sector. Where accommodation was secured only 23.5% of households contained children, while 75.9% were single adults or other households without dependent children 0.5% of the households type was unknown.

#### Households in temporary accommodation

- 3.7 Matching the trend in acceptances, the number of households in all forms of temporary accommodation in England rose to over 101,030 at the end of the fourth quarter of 2004. The number then dropped to 48,010 in quarter 4, 2010 but has since increased to over 100,000.
- 3.8 Households living in emergency accommodation (B&B essentially) reached a national high of 13,240 in the fourth quarter of 2002. This figure dropped to 1,880 by the end of 2009 but has since risen considerably, reaching 39,340 at the end of the 2021/22. The numbers of households living in self-contained nightly-paid units has been gradually increasing since 2002, from around 4,000 back then to 23,380 as at the end of 2021/22. There has also been an increase in households placed out of their accepting borough, the England total standing at 26,660 as at the end of the 2021/22.

3.9 In London the number of households in temporary accommodation reached 62,889 in 2005, accounting for 63.7% of the national total. This fell to 35,805 by 2011 but then rose again to 56,430 by the end of 2021/22. Sutton's equivalent figure at that point in time was 844, representing 1.5% of the London total.

#### **Rough Sleeping**

3.10 Since 2010 there have been sharp increases in incidents of rough sleeping in London and the South East of England. The latest returns showed that 8,329 people were seen sleeping rough in the capital in 2021/22, of which 1,700 were seen for the first time. The vast majority of rough sleeping was found in the inner boroughs.

#### Homelessness at the local level

#### Homelessness applications and decisions

3.11 The following table sets out the numbers of households applying as homeless and the outcome of the decisions taken over the last five years, with figures taken from the Council's returns to Government. As can be seen, there has been a notable increase in acceptances in 2022/23 compared to the two previous years. In terms of the process that households go through, set out at Appendix A is a simplified but typical example of the various stages in the case of a household that loses its private sector tenancy.

Table 3.1: Homelessness applications and decision outcomes

Decision outcome	2018/19	2019/20	2020/21	2021/22	2022/23
Accepted for main duty*	243	275	201	196	252
Not eligible**	13	0	8	4	10
Eligible but not homeless	86	29	21	31	89
Eligible, in priority need but intentionally homeless	20	32	11	14	22
Eligible, unintentionally homeless but not in priority need	80	50	20	24	70
Eligible, unintentionally homeless, in priority need but refused to cooperate	3	2	0	0	0
Eligible, unintentionally homeless, in priority need but no local connection	1	2	0	0	1
Lost contact prior to assessment	89	9	2	2	2
Withdrew prior to assessment	23	2	1	2	1
Total applications	558	401	264	273	447

<sup>\*</sup>Where the household is eligible, is homeless unintentionally, in priority need and has a local connection

<sup>\*\*</sup>Households may be ineligible for assistance if, for example, they are a person from abroad who is ineligible for housing assistance under Part VII, Housing Act 1996

3.12 The following table illustrates that consistently the large majority of accepted households are from the 25-64 age group, albeit that there is a significant number of young adults accepted. However, very few people of retirement age are ever accepted as homeless.

Table 3.2: Accepted households by age group

Age group	2018/19	2019/20	2020/21	2021/22	2022/23
16 - 24 years	55	70	80	43	60
25 - 64 years	184	197	120	144	186
65 + years	4	6	1	9	6
All groups	243	273	201	196	252

3.13 The table below confirms that the proportion of households from BAME groups, which constitute around 32% of the borough's population, are overrepresented amongst accepted households, and that this situation has remained the same over the period albeit the degree of overrepresentation increased markedly in recent years. The subsequent table shows that over time a notably greater proportion of applications from BAME households are accepted compared to their White counterparts.

Table 3.3: Accepted households by ethnicity

Ethnicity	2018/19	2019/20	2020/21	2021/22	2022/23
White	144	174	120 109		138
Black	44	47	30	43	45
Asian	31	25	25	22	39
Mixed	13	15	17 10		19
Other	2	8	3 6		5
Not stated	9 6		6	6	6
All groups	243	275	201	196	252
Proportion of White*	61.5%	64.7%	61.5%	57.4%	56.1%
Proportion of BAME**	38.5%	35.3%	38.5%	42.6%	43.9%

<sup>\*</sup>Excludes not stated

<sup>\*\*</sup>Excludes not stated; includes all groups other than White

Table 3.4: Proportion of homelessness applications accepted by ethnicity

	2018/19	2019/20	2020/21	2021/22	2022/23
Proportion of White applications accepted	41.1%	67.7%	74.1%	69.4%	54.3%
Proportion of BAME applications accepted			78.6%	75.7%	75.7%
Proportion of All applications accepted	43.6%	68.9%	75.8%	72.1%	56.4%

3.14 From the following table it can be seen that by far the largest household type accepted as homeless are female lone parents, comprising some 48% of the total in 2022/23. Households with children comprised 70.6% of all those accepted in 2022/23.

Table 3.5: Accepted households by composition

Household composition	2018/19	2019/20	2020/21	2021/22	2022/23
Couple with children	38	44	28	30	48
Female lone parent	e parent 151		112	84	121
Male lone parent	9	4	5	7	9
Single female	13	22	16	22	29
Single male	26	41	31	39	31
Other	6	31	9	14	14
All types	243	275	201	196	252

3.15 In terms of reasons for being in priority need, the table below clearly shows that having dependent children or being pregnant (taken together) is by far the largest category, accounting for around 74% of accepted households in 2022/23. Single people constitute just 26% of accepted households.

Table 3.6: Accepted household by priority need category

PN Category	2018/19	2019/20	2020/21 2021/2		2022/23
Dependent children	177	187	126 122		170
Pregnant	18	20	26	10	16
16-17 year old	2	1	0	0	1
Care leaver	2	4	7	1	2
Old age	1	1	0	0	1
Physical disability	21	33	14 23		21
Mental illness/disability	16	18	11	20	14
Vulnerable from being in care	1	2	3	0	2
Fleeing domestic violence	2	3	6 16		19
Emergency (fire etc)	1	1	1 1		2
Other	2 5 7 3		3	4	
All categories	243	275	201	196	252

3.16 In terms of the reasons for being or becoming homeless, the next table shows that the two most significant factors currently are (i) family or friends no longer wishing or able to accommodate the household and (ii) loss of tenancy. Relationship breakdown (either involving violence or not) also represents a significant proportion of accepted households.

Table 3.7: Accepted households by reason for homelessness

Reason for homelessness	2018/19	2019/20	2020/21	2021/22	2022/23
Family / friends no longer willing to accommodate	89	105	102	67	79
Loss of private sector tenancy	69	96	29	46	79
Other tenancy loss	18	4	0	4	2
Relationship breakdown	43	38	51	54	66
Harassment	0	9	7	7	6
Mortgage arrears	0	1	0	1	0
Left institution / care	3	5	5	0	3
Other	21	17	7	17	17
All reasons	243	275	201	196	252

3.17 The following table shows the size of property required by households that are accepted as homeless. As can be seen, by far the largest requirement is for a two bedroom home comprising 67% of all households accepted in 2022/23.

Table 3.8: Accepted households by size of property required

Property size required	2018/19	2019/20	2020/21	2021/22	2022/23
Bedsit / 1 bedroom	22	64	50	62	63
2 bedroom	170	184	144	117	168
3 bedroom	45	25	7	13	20
4+ bedrooms	6	2 0		4	1
Total	243	275	201	196	252

- 3.18 In terms of the eventual outcome for a household once accepted as homeless, the large majority accept an offer of social housing accommodation under Part VI, Housing Act 1996, with only relatively small numbers taking up an offer of private rented accommodation.
- 3.19 The next table clearly shows that the large majority of accepted households in Sutton are from the UK, accounting for around 74% of the total last year, with the number of households from outside of the European Economic Area (EEA) representing almost 20%.

Table 3.9: Homelessness acceptances by nationality

Nationality	2018/19	2019/20	2020/21	2021/22	2022/23
UK (habitually resident)	197	222	166	152	186
Other EEA	16	12	7	5	16
Non EEA	30	41	28	39	50
Total	243	275	201	196	252

3.20 As can be seen from the following table, only relatively few households are ever referred to another local authority or accepted from another authority referring them to Sutton.

Table 3.10: Local connection referrals and acceptances

	2018/19	2019/20	2020/21	2021/22	2022/23
Referrals to another LA	1	7	4	8	11
Referrals <b>from</b> another LA	5	5	11	14	22
Accepted with no local connection anywhere	0	0	0	0	0

3.21 The following table shows the number of prevention and relief cases opened during 2022/23, with a household type breakdown by families and singles or adult only households. In the case of preventions, families make up 57.2% of all cases, whereas for relief cases families only make up around 43%.

Table 3.11: New homelessness prevention and relief cases opened during 2022/23

	Q1	Q2	Q3	Q4	Total			
Prevention cases								
Total no. cases	92	72	109	94	367			
of which families	56	45	55	54	210			
of which singles	36	27	54	40	157			
Relief cases								
Total no. cases	161	162	160	154	639			
of which families	66	78	69	62	275			
of which singles	95	84	91	92	362			

3.22 During 2022/23, of the applications where a prevention/relief duty was owed a 'not eligible' decision was made in 58 cases and a 'not homeless' decision made in four cases.

3.23 In some cases, households will request a review of their homelessness decision. The number of requests made over the last four years, broken down by the nature of the decision and whether upheld/not upheld etc is shown in the following table. Table 3.13 then summarises outcomes over the last five years. As can be seen, almost an equal number of decisions are upheld as are changed (i.e. a new decision was made).

Table 3.12: Homelessness review decisions 2019/20 to 2022/23

	201	9/20	202	2020/21		2021/22		2022/23	
	Decision changed	Decision upheld							
Eligibility for assistance	1	1	0	1	2	0	3	0	
Local connection referrals	1	2	0	0	0	1	0	1	
Decision to end the main duty	5	2	9	2	2	3	3	2	
Duties owed homeless or threatened with homelessness	7	5	5	11	18	10	23	31	
Suitability of accommodation offered to end S193 duty	0	0	0	0	0	1	0	1	
Reasonable steps taken to help prevent and/or relieve homelessness		0	1	0	2	2	1	0	
Whether applicant in priority need and not intentionally homeless (main duty)	6	8	6	6	0	0	0	1	
Suitability of accommodation offered at Prevention or Relief stage (not final)	0	0	1	1	0	0	0	1	
Suitability of accommodation offered as S193 Temporary Accommodation or S193c(4)	0	3	3	4	7	8	12	11	
Ending of the prevention and/or Relief Duty	1	3	6	7	1	1	0	0	
Suitability of Final PRS or Final Part 6 Offer at Relief stage	0	0	0	1	0	0	0	0	

Table 3.13: Summary of homelessness review outcomes

Outcome of review	2018/19	2019/20	2020/21	2021/22	2022/23
Upheld	44	33	17	34	40
Overturned	6	0	0	0	0
Withdrawn	3	6	7	0	1
New decision	1	24	22	32	39
In progress	1	0	0	4	18
All	55	63	46	70	98

#### Youth homelessness

- 3.24 Across the country many young people between the ages of 16 and 25 are known to sleep rough every night or are sleeping on sofas, floors, night buses or with strangers; the latter are often referred to as 'hidden homeless'. There are various reasons why young people become homeless. This can often be through relationship breakdown with parents resulting in the young people leaving home with nowhere to stay. Also, more than a third of homeless young people have mental health issues, such as depression and anxiety along with substance misuse.
- 3.25 Information held within the Council's housing register showed that as at 31 March 2023 there were 261 applicants listed as living with family or friends, 26 'sofa surfing' and a further 28 with no fixed abode, giving 315 in total out of all 2,674 households on the Register. Most of these will be young people.
- 3.26 Exclusion from school and not being in education can make it more difficult for young people to access help with home or health issues, and missing out on education can make it difficult for them to find work, further increasing the likelihood of them ending up homeless. Also, in cities young people can be affected by gang-related problems, and sometimes it may become too dangerous for them to stay in their local areas which in turn can make them homeless.

#### Care leavers

- 3.27 Young people leaving care face particular challenges with living independently at a young age, and traumas they faced in their early lives make care leavers more vulnerable than others within the community. Housing remains a key challenge for many care leavers nationally, with Barnardos reporting that young people who go straight from care to independence, without a support package, often experience difficulty and are at greater risk of eviction and becoming homeless. Even with support, young people leaving care can find it difficult to manage their bills and to progress well in independent accommodation.
- 3.28 Since 2018 the housing situation for care leavers in Sutton has become more challenging. This is due to a number of factors, including an increase in the number of young people being supported by the Council's Leaving Care Team, an increase in the number of looked after children reaching 16, an increase in the number of unaccompanied asylum seeking children for whom the local authority has become responsible and an increase in the number of young people remaining supported by

the team beyond their 21st birthday. Furthermore, the introduction of Universal Credit has significantly impacted on the ability of care leavers to budget well.

#### Homelessness acceptances of young people

3.29 The following table summarises the young people, between the ages of 16 and 25, who have approached Sutton Council in recent years and been accepted as homeless. As can be seen, there was a notable decrease in 2021/22, which may have been related to the pandemic.

Table 3.14: Young person homelessness approaches and acceptances

	2018/19	2019/20	2020/21	2021/22	2022/23
Approached the Council as homeless	238	268	283	228	214
Accepted as homeless	55	67	54	36	37

#### Rough sleeping

- 3.30 Historically the extent of rough sleeping in Sutton has been very low compared to many other London boroughs, particularly the inner ones. To assess the extent of rough sleeping, local housing authorities are required to undertake a Rough Sleepers Count annually, on a government-nominated night of the year. In November 2022 Sutton reported a nil return for 2022; for the previous year the figure was just three. These small numbers may not, however, reflect the true scale of rough sleeping locally.
- 3.31 Despite the relatively small scale of the problem, the Council chairs a multi-agency rough sleepers group to discuss and share information and agree plans of action for each identified individual in an effort to end their rough sleeping. The group includes representatives from the police, Salvation Army, StreetLink, Sutton Community Works, Mental Health Services, Drug & Alcohol Services, Adult Social Care, the DWP, CAB, the Single Person Emergency Accommodation in Richmond (SPEAR) and St Mungo's.
- 3.32 The group seeks to identify the person's 'home' borough so they can be supported to return where possible. Support is also offered to help rough sleepers access emergency accommodation, though some choose not to take up the options offered and some simply do not engage well with services or follow the advice given to end their homelessness.
- 3.33 StreetLink operates across the capital and aims to 'verify' a rough sleeper through outreach services within 72 hours of an alert. Once verified, the individual will be recorded on CHAIN (Combined Homelessness and Information Network), which is a multi agency database recording information about the wider street population in London. An outreach service is available for new rough sleepers, where they can find an emergency placement and refer to the relevant partner organisations.
- 3.34 Although there are no direct access hostels in the borough, the Council operates a Single Homeless Pathway, which provides accommodation with support for single people. As part of this pathway, there is an assessment centre, which is a six-bed space shared house. Rough sleepers with a Sutton connection are given priority for any vacancies. Residents stay for up to 13 weeks so their needs can be assessed, and a support plan is drawn up in conjunction with the service user, together with an appropriate move on plan. Move-on can be a move further down the Pathway, into

- other supported housing, alternative supported housing with another provider better able to meet the assessed needs of the service user, or assistance and support to the resident to secure accommodation in the private sector.
- 3.35 Between June 2021 and March 2023 SPEAR managed a 34 bed project for rough sleepers in Sutton, where those who were verified or at risk of rough sleeping were referred to. Here they received on site support from SPEAR and drug and alcohol services provided by Inspire. This resource enabled rough sleepers to gain the support required to move on to either further supported accommodation, or enabled them to move to private rented accommodation or social housing to live independently. This was a short life project due to the premises being part of a wider development project and all residents were moved on by 31 March 2023. Although a further bid was submitted to DLUHC for funding to make further supported accommodation provision for rough sleepers, this was unsuccessful.
- 3.36 Sutton was, however, successful in receiving three years' funding for a Housing First model, which is for a worker to provide support in 5 to 7 units in the borough. These units of accommodation are being identified from within the Council's own social housing stock. In addition, there is an ongoing project at Sutton Grove that has funding for a further three years, providing four units of accommodation for rough sleepers, also managed through SPEAR.
- 3.37 As well as commissioned services, there are various local voluntary organisations that support rough sleepers, including Sutton Community Works and the Salvation Army. The former is a Christian charity comprising 15 churches who work together for the benefit of the community. Their initiatives include:
  - Sutton Street Pastors, who will identify rough sleepers on their late night patrols, alerting, and signposting to appropriate agencies, and providing food and sleeping bags where appropriate,
  - Sutton Foodbank, providing emergency food to clients, including individuals sleeping rough.
- 3.38 The Sutton Salvation Army supports all rough sleepers in the borough and will give advice and offer signposting to appropriate services. They also provide hot snacks and drinks, internet access and emergency phone calls. As well as this, they host a foodbank each week that rough sleepers can use.
- 3.39 In 2015, the charity Sutton Night Watch, based in Wallington, began operating a soup kitchen in the borough. They also run a drop-in service open six days a week. Here, clients can access showers, clothing, hot meals and food parcels. They also hold a 'Recovery Matters' group, offering counselling sessions and a monthly GP surgery.
- 3.40 As well as the various organisations providing services, there is the Severe Weather Emergency Protocol (SWEP) that comes into force when the overnight temperature dips below zero degrees in any part of London on any night as directed by the Greater London Authority's Rough Sleeping Team. People at risk of rough sleeping during this time are offered emergency B&B accommodation until the temperature rises above zero. During the cold weather in December 2022 to March 2023, a total of 23 placements were made into emergency accommodation through the SWEP provisions, Some of whom were not previously known to the service, or were not rough sleeping prior to placement.

3.41 The table below shows the activity that has taken place over the last three calendar years to tackle rough sleeping in terms of individuals' outcomes. Tracking continues for as long as Encompass knows of the case and the rough sleeper engages with the service. Once there are no longer any sightings/contact is lost, tracking will stop after around one to two months; it will also cease once accommodation has been secured.

Table 3.15: Rough sleeper outcomes

Outcome	2020/21	2021/22	2022/23
Moved to private rented accommodation	38	41	18
Returned to family / friends	19	13	3
Not known	22	10	11
Lost contact	4	7	3
Moved to a housing association property	0	0	1
Made a 'Part VI' offer of social housing	1	1	1
Left - believed to still be rough sleeping	0	0	1
Moved to supported housing - SPEAR	0	0	1
Moved to duty placement	10	19	6
Secured own accommodation	4	0	1
Moved to supported housing - other	0	0	0
Moved to supported housing - St Mungos	1	1	2
Evicted	6	7	1
In prison	12	8	3
In hospital/rehab	4	4	3
Returned to settled accom (PRA/social)	1	3	1
Local connection referral	0	1	0
Deceased	1	1	0
Housed via the Home Office	1	0	0
Other social services	0	0	0
*These figures are undated as we go along	124	116	56

<sup>\*</sup>These figures are updated as we go along rather than identified at a specific point in time so there may be no cases still open from as far back as 2020/21.

3.42 As of March 2023 there were 14 open cases with SPEAR, some of whom have not been verified as rough sleeping or seen since the initial report but are kept open for two months to enable further sightings to be addressed and for intelligence to be shared. A number of the open cases are complex, where the individuals are not currently engaging with services or accepting the help that has been offered. Nevertheless, work will continue with this cohort to try to end their cycle of rough sleeping.

NB: the table shows the approach or identification year not the outcome year

## 4. Prevention of homelessness

- 4.1 From April 2018, when the Homelessness Reduction Act came into force, for all households approaching as homeless or threatened with homelessness a Personalised Housing Plan (PHP) is produced. The PHP describes actions that both the household and the Encompass adviser will take to prevent or relieve the homelessness. The case management officer will support the client to progress the agreed tasks, maintaining regular contact and giving practical support where needed.
- 4.2 Generic floating support including tenancy sustainment support is provided by Encompass to households who are homeless or threatened with homelessness in order to help them navigate through services and resettle into new homes. Encompass also provides general support to households to maintain their homes during periods of instability. At the same time, St Mungo's has been contracted to support households requiring specialist or more complex support such as those with mental health and/or substance misuse issues or ex-offenders.
- 4.3 Encompass also employs wellbeing coaches who are focussed on early intervention and addressing issues with households that could trigger homelessness such as signs of financial difficulties, employment / training needs etc. The aim is to build resilience in those households and provide them with the tools and contacts to avoid reaching crisis point. The coaches mainly identify households at risk through referrals arising from housing register applications, some homelessness approaches and from drop-ins run by various agencies e.g. the domestic violence one stop shop.
- 4.4 Encompass operates a sanctuary scheme which is funded through the Government's Homelessness Prevention Grant and is designed to install 'target hardening' facilities to homes to enable victims of abuse to remain in their home. This can range from fitting additional locks and bolts to doors and windows to creating a safe room in the property. During 2022/23 six households were assisted through the scheme.
- 4.5 The Council's welfare support outreach team also undertakes homelessness prevention work through providing a wide variety of advice and support to struggling households. This includes offering budgeting support to households affected by the benefit cap, facilitating the take up of discretionary housing payments (see below), helping people to negotiate Universal Credit claims and maximising benefit take-up and sustaining tenancies.
- 4.6 The table below shows the combined number of homelessness preventions and reliefs undertaken over the last five years, which have increased by 13% since 2018/19.

Table 4.1: Homelessness preventions and reliefs

2018/19	2019/20	2020/21	2021/22	2022/23
800	894	833	868	905

4.7 The following table provides a breakdown of prevention activity over the last five years. As can be seen, the provision of advice or information accounts for a large proportion of this work as does the various ways in which help into (or to retain) accommodation is undertaken.

Table 4.2: Prevention of homelessness activity

Prevention activity	2018/19	2019/20	2020/21	2021/22	2022/23
No activity - only advice and information provided	104	190	115	109	76
Prevention activity undertaken but not successful	1	2	1	12	70
Helped to secure accommodation found by applicant, with financial payment	16	29	68	81	45
Housing related support to sustain accommodation	9	22	20	39	40
Helped to secure accommodation found by applicant, without financial payment	13	36	46	53	38
Negotiation/mediation/advocacy work to prevent eviction/repossession	25	48	12	33	30
Accommodation secured by local authority or organisation delivering housing options service	26	40	26	23	29
Negotiation/mediation work to secure return to family or friend	22	27	35	40	24
Sanctuary or other security measures to home	6	3	4	4	9
Supported housing provided	4	6	6	9	6
Financial payments to reduce rent service charge or mortgage arrears	1	2	0	2	3
Discretionary Housing Payment to reduce shortfall	2	1	0	1	2
Financial payments used for other purposes (not arrears or to secure new accommodation)	1	1	4	0	1
Debt advice provided	0	0	1	0	0
Resolved benefit problems	3	4	1	1	0
All	233	411	339	408	384

<sup>4.8</sup> The following table shows the number of households receiving an intervention and the success rate in relation to this work.

Table 4.3: Early interventions and outcomes 2021/22

Early interventions	2022/23
Total no. of households receiving an intervention	190
Successful cases	119
Success rate	62.6%

NB: Intervention successes will include, for example, cases where interventions with a landlord have resulted in a notice being withdrawn. In all cases homelessness will have been prevented for at least a six month period.

#### **Use of Discretionary Housing Payments**

4.9 To support the recent changes to the welfare reform system in 2016, the Government provided funding to local authorities for Discretionary Housing Payments (DHPs) to be made to households who face immediate financial difficulties. The Council received a grant of £339,519 in 2022/23; this was used to make DHPs to a total of 406 households of which 229 contained children. During 2022/23, 149 of these households were helped to sustain their tenancies and thus prevent homelessness.

#### **Use of Disabled Facilities Grants**

4.10 Disabled Facilities Grants (DFGs) may on occasion also contribute to preventing homelessness. In addition to funding adaptations to an existing home, discretionary DFGs are available to assist a person to move to alternative accommodation. Someone living in privately rented accommodation who becomes disabled - for example, as a result of an accident - may need some form of adaptation to allow them to continue to live in their property. However, this may not be possible or the landlord might refuse to have their property altered, and may be prompted to serve notice should the tenant need to resort to welfare benefits.

# 5 Accommodating homeless households

- 5.1 Local housing authorities have a statutory duty to provide "interim" or emergency accommodation to those deemed to be in priority need and who are homeless or threatened with homelessness under s188 Housing Act 1996 (see chapter 2). Presenting households are thus placed in such housing, usually in nightly paid accommodation (NPA) initially, while their case is assessed and a decision ultimately made as to whether or not the main duty to secure accommodation, under s193 Housing Act 1996 as amended, applies. Steps are then taken to secure longer-term temporary accommodation based on priority need and availability.
- 5.2 Where the main duty is found to apply the household will usually remain in their temporary home until either they are provided with a social housing tenancy, under Part VI Housing Act 1996, or are successful in securing accommodation in the private rented sector. Where it is decided that the household is not owed the main duty for example, they were found to be intentionally homeless they will be given reasonable notice to leave their temporary home, with advice as to how best to secure their own accommodation. Where there are children in the household, social services are advised of the decision and when the accommodation will cease being available for them to occupy, so they can carry out their own assessment of need.
- 5.3 The length of time spent in temporary accommodation will depend largely on the availability of suitable alternative housing, which will vary according to the particular needs of the household. The time homeless households spend in temporary accommodation now averages at 21.7 months. However, some households can remain in temporary housing for up to 4½ years.

## **Temporary accommodation trends**

5.4 The following table shows the trend in the numbers of households in all forms of temporary accommodation, at financial year end, since 2018/19, broken down by type of unit. As can be seen, the overall number has increased by over 50% since 2018/19.

Table 5.1: Households in temporary accommodation 2018/19 - 2022/23 (at 31st March)

Accommodation type	2018/19	2019/20	2020/21	2021/22	2022/23
Council owned/SHP managed	250	304	368	431	454
NPA - self-contained	154	128	133	130	216
PSL	92	107	121	111	101
NPA - shared	60	90	134	117	95
					23
Andrewes House	23	22	23	21	
Oakleigh House	33	33	37	33	38
Transform	9	9	6	9	9
Other	3	6	6	6	4
Total	624	699	828	858	940
Of which out of borough	111	87	127	100	165

5.5 As can be seen, the numbers in emergency accommodation (i.e. nightly-paid accommodation) have increased markedly in the last couple of years, partly due to the Government's 'Everyone In' campaign during the pandemic, but also due to the lack of subsequent move on accommodation. At the same time, the use of the Council's permanent stock as temporary accommodation has also increased substantially over the last five years, these units being made up mainly of one bedroom properties, homes set for future regeneration and, more recently, ex-council stock acquisitions or 'buy backs'.

#### **Interim Nightly Paid Accommodation**

- 5.6 This type of accommodation is used in an emergency and then only when there is no other interim or temporary accommodation available. Due to the lack of availability of temporary accommodation within the borough, interim or nightly paid accommodation is most likely to be privately-owned and located out of the borough. Typically these units are in neighbouring boroughs but the accommodation crisis is forcing EncompassI to look at areas further away.
- 5.7 Self-contained properties are generally used for families with children or pregnant women. NPA with shared facilities may be used for single people; however, most single people, if they are above the age of 35, would be offered a self-contained studio.
- 5.8 The use of this type of accommodation when it is located out of borough may result in families experiencing difficulties in getting their children to school or getting to their place of work, their support networks including GP and other health providers. The table below shows a snapshot at financial year end of the number of households in nightly paid accommodation since 2019/20.

Table 5.2: Households in nightly paid accommodation as at 31 March

Year	Location	Total households	Families	% of families
2019/20	In borough	135	68	50.4%
2019/20	Out of borough	89	46	51.7%
Total 2019/20		224	114	50.9%
2020/21	In borough	148	47	31.8%
2020/21	Out of borough	118	37	31.4%
Total 2020/21		266	84	31.6%
2021/22	In borough	152	53	34.9%
2021/22	Out of borough	98	53	54.1%
Total 2021/22		250	106	42.4%
2022/23	In borough	152	49	32.2%
2022/23	Out of borough	159	94	59.1%
Total 2022/23		311	143	46.0%

#### Make up of households in temporary accommodation

5.9 The table below gives a breakdown of households in all forms of temporary accommodation at year end over the last five years by household makeup. This shows that, broadly, the proportions of household types remain fairly consistent, with female lone parents making up the largest group. The table also illustrates that there has been an overall increase in Black, Asian and Minority Ethnic (hereafter BAME) representation, with BAME households recently accounting for over 40% of all households accommodated. This is significantly higher than the proportion of BAME households in the borough as a whole and reflects how homelessness continues to disproportionately affect this group.

Table 5.3: Numbers in temporary accommodation by household type and ethnicity

Household type	2018/19	2019/20	2020/21	2021/22	2022/23
Couple + children	124	135	136	152	178
Female lone parent	290	321	350	385	404
Male lone parent	15	15	17	22	29
Single female	41	50	76	72	93
Single male	75	98	172	144	157
Other	79	80	77	81	79
Total	624	699	828	856	940
Proportion White	67.1%	63.9%	63.5%	61.9%	58.8%
Proportion BAME	32.9%	36.1%	36.5%	38.1%	41.2%

5.10 The table below gives an analysis of length of stay in nightly paid accommodation during 2022/23 by household type and by whether the accommodation is in or out of the borough. It shows that out of borough placements on the whole are slightly shorter than those made in borough.

Table 5.4: Average length of stay in nightly paid accommodation 2022/23

	Average length of stay (weeks)
All singles	19.7
Singles out of borough	17.0
All families	17.3
Families out of borough	15.9

5.11 The latest position in terms of the number of households currently living in the various forms of temporary accommodation is shown in Table 5.6 below. It is worth noting that DLUHC has a measure in place with regard to families in shared accommodation, typically referred to as "B&B over six weeks". The threshold number to achieve at

quarter end reporting is four or less. Five or more is in breach of legislation and requires an action plan to be produced for DLUHC bi-monthly monitoring.

Table 5.5: Households in Temporary Accommodation at 31 March 2023

Accommodation type	Family	Single/Other	Total Households
Council owned (SHP managed)	330	124	454
NPA Self-contained	132	84	216
Private sector leasing	81	20	101
NPA Shared	11	84	95
Oakleigh House	29	9	38
Andrewes House	22	1	23
Transform	9	0	9
Optivo	4	0	4
Total	618	322	940

- 5.12 With the lack of available property for temporary placements, the use of B&B is increasing significantly, not only in Sutton but across London. Despite this, in terms of family length of stay, the outcomes achieved at quarter end dates during 2022/23 in Sutton were all zero, while increasing numbers were experienced elsewhere. However, there is a risk that the lack of property availability will push this number above four in the year ahead, in at least one of the end of quarter periods.
- 5.13 Of the 940 households accommodated, 617 (78%) include dependent children, of which there are 1,733 in total. The proportion of those where the main duty decision has been made is 55.2%.
- 5.14 A pre-pandemic study undertaken by Public Health in Sutton looked at the impact on children living in temporary accommodation in terms of their health and education. From information collated from a number of agencies it identified a wide range of issues that adversely affected children's life chances including: problems with sleeping, poor nutrition, poor hygiene, risks presented by other accommodated client groups (e.g. ex-offenders), the impact of relationship breakdown, disrupted schooling. An initiative was put in place to help address these issues.
- 5.15 Of households that are provided with temporary accommodation only a very small proportion would not be eligible to go onto the Housing Register, and this would primarily be due to their financial means. Some households may be suspended from going on to the Register due to rent arrears or behaviour issues but would be able to join or rejoin when the situation changes.

## Rehousing of homeless households

5.16 As at 31 March 2023, there were 510 accepted homeless households on the Housing Register out of a total of 2,159 households in the priority categories. The following table shows, over the last five years, lettings within the social stock by priority group, highlighting accepted homeless households (held within Band B on the Housing Register). As can be seen, total lettings have reduced markedly since 2018/19, partly

due to reduced numbers of new build social homes and fewer social tenants moving out of the sector, this possibly reflecting the pandemic and prevailing economic circumstances. At the same time, the proportion of lettings to accepted homeless households has been increasing, reaching 41.4% in 2022/23.

Table 5.6: Letting of permanent general needs social stock to homeless households

General needs lettings	2018/19	2019/20	2020/21	2021/22	2022/23
Other high priority groups (Band A)	105	94	100	109	99
Accepted homeless (Band B)	113	175	100	102	144
Other reasonable preference groups (Bands C and D)	162	144	78	150	105
Non reasonable preference groups (TNN/OPEX)*	74	32	21	28	0
Total	454	445	299	389	348
Proportion of lettings to accepted homeless households	24.9%	39.3%	33.4%	26.2%	41.4%

NB: the above figures exclude lettings to Independent Living ('sheltered') stock. 'TNN' refers to 'Tenant No Need' and 'OPEX' to Older People's Exceptions.

5.17 The following table shows, on a year by year basis, the number of accepted households that are rehoused in social lets (council and housing association) and those that secure accommodation in the private sector. The penultimate row shows the numbers rehoused (in both sectors) deducted from the total accepted household figures. Cumulative figures are shown in the final row. As can be seen, each year the number of households rehoused is significantly less than the number accepted as homeless, with the cumulative shortfall reaching 525 by 2022/23. This essentially is the root cause of the year on year increase in temporary accommodation usage.

Table 5.7: Nos. of households accepted vs nos. rehoused

	2018/19	2019/20	2020/21	2021/22	2022/23
Nos. households accepted (A)	243	275	201	196	252
Re-housed in social housing (by bedrooms required) Band B					
I bed	18	30	16	35	24
2 beds	66	113	58	44	91
3 beds	26	25	25	18	27
4 beds	3	7	1	5	2
Total (B)	113	175	100	102	144
Re-housed in the PRS (C)	0	0	0	1	7
Rehousing shortfall: A - (B+C)	130	100	101	93	101
Cumulative shortfall	130	230	331	424	525

- 5.18 Around February/March each year Encompass produces a 'Lettings Plan' for the following financial year setting out the anticipated supply of permanent social lettings available to the Council (both local authority and housing association) and the breakdown of households on the Housing Register. The Lettings Plan then 'allocates' the anticipated lets to the various household bands within the Register, firstly by top slicing the required number of lets for urgent (Band A) cases and then distributing the remaining lets amongst the other bands.
- 5.19 The Lettings Plan for 2023/24 is set out at Appendix A. Of the projected 375 lettings in 2023/24, 156 (41.6%) are 'earmarked' for high priority (Band A) groups, leaving just 219 lettings (58.6%) for all other bands including Band B, accepted homeless households. Of the 219 remaining lettings, it is projected that 86 (39.3%) will go to accepted homeless households. This means that around 23% of all projected lettings are expected to be allocated to the homeless.

## Accessing private sector accommodation

- 5.20 The private rented sector plays a vital role in the Council's strategy to prevent and relieve homelessness; from preventing homelessness from this tenure by mediation, negotiation with landlords and tenants, and through housing homeless households in the sector.
- 5.21 Many homeless households are reluctant to consider the private rented sector option, they see it as short term, unaffordable and less security of tenure. However, this remains the only other option alongside social housing to reduce or eliminate homelessness.
- 5.22 In recent years, we have seen a shift in the private rented sector. A buoyant rental market, where demand exceeds supply, high rent levels set against restricted Housing Benefit/Universal Credit and capped Local Housing Allowance (LHA) rates means that securing private rented sector accommodation within the borough and across

- neighbouring boroughs is increasingly difficult and unaffordable for households with low incomes or on benefits.
- 5.23 The LHA rate is the maximum amount of financial assistance that households may receive towards their rent whilst in receipt of benefits. And this can be reduced for households affected by the benefit cap. Households that are benefit capped find it extremely difficult to find any form of housing within the borough that is affordable, effectively ruling out the private rented sector option.
- 5.24 The table below shows rental market data for the South London Broad Rental Market Area (BRMA) in March 2023. It demonstrates the disparity between the median market rents versus the LHA rates in the large majority of the borough.

Table 5.8: Private sector rents vs the Local Housing Allowance rates (March 2023)

Property Size	Median market monthly Rents (£)*	Local Housing Allowance (rounded) (£)	Monthly shortfall (rounded) (£)	Annual shortfall (rounded) (£)
1 Bedroom with shared facilities	800	449	351	4,215
1 bedroom - Self-contained	1,300	873	427	5,129
2 Bedrooms - Self-contained	1625	1,097	528	6,336
3 Bedrooms - Self-contained	2,100	1,371	729	8,745
4 bedrooms - Self-contained	2,500	1,730	770	9,237

<sup>\*</sup>Median market rent data from the home.co.uk website.

5.25 The Council, through Encompass, assists homeless households to access renting in the private sector by providing a deposit guarantee or cash deposit to the landlord, and providing an interest free loan to the household to pay for the required rent in advance. Set out in the table below are the amounts paid, since 2020/21, on rent deposits and payments in advance.

Table 5.9: Rent deposit and payments in advance

Year	No. households assisted	Amount paid (£)
2020/21	164	289,554
2021/22	152	293,635
2022/23	130	256,692

5.26 Encompass works with a number of private landlords in the area, and continues to reach out to new landlords through its landlords forum, run in conjunction with the National Landlords Association, and also by cold calling landlords advertising in the area. Encompass also assists homeless households who themselves find a property to rent, but cannot afford the deposit or rent in advance.

5.27 The following table shows, since 2020/21, the number of households assisted and the amounts that have been paid to private landlords as by way of incentives to let their properties to households who are homeless or threatened with homelessness.

Table 5.10: Cash incentives paid to private landlords

Year	No. households assisted	Amounts paid (£)
2020/21	114	264,654
2021/22	95	201,490
2022/23	70	150,219

5.28 We currently have 101 units of temporary accommodation through a private leasing scheme, which is more cost effective and provides a higher standard of accommodation compared to nightly paid accommodation. However, the private rented sector stock is also used to prevent homelessness and it is more cost effective to use these units to prevent homelessness rather than as temporary homes.

#### **Use of Council-owned accommodation**

- 5.29 Since 2017, the Council working through Sutton Housing Partnership has been buying back homes (mainly one and two bedroom flats on council estates) previously sold under the Right to Buy scheme. Over 220 have now been acquired, and all of these units, which are let at the 2011 LHA rent level, provide a preferable form of temporary accommodation with advantages over private leased units in terms of both cost and the quality of management offered. They are, however, due to be assigned to the Council's development company Sutton Living Ltd with the aim of discharging the homelessness duty to the occupying households.
- 5.30 As well as units bought back, over the years the Council has used a number of its permanent rented homes for temporary accommodation letting them out under licence under Part VII Housing Act 1996. Often this has been accommodation that has been subject to regeneration programmes where otherwise the properties would be left empty for a period once they become void.
- 5.31 For many years the Council has used a former sheltered block located within one of its town centre estates Andrewes House for temporary accommodation, providing 23 self-contained units. More recently an ex-care home Oakleigh House also located close to Sutton town centre, was converted to self-contained temporary housing, managed by a third party agent. The conversion provides both more suitable and cheaper accommodation.

## Standards of temporary accommodation

5.32 In procuring units for use as nightly paid emergency accommodation, the standards prescribed in the Government's Setting the Standard policy document are used as a minimum when assessing suitability. Following a project to reduce the costs of this type of accommodation in November 2015, when there was a pan London agreement of maximum rates to work with, we have seen a decline in standards with some of the providers. We have also seen some providers remove themselves from this market as they felt it was not cost effective to continue.

5.33 The increase in units available as temporary accommodation as a result of the Council's acquisition programme and the expansion of its private sector leasing scheme has provided better quality accommodation within the borough and has contributed to a reduction of households accommodated in emergency accommodation outside of the borough.

## Temporary accommodation for vulnerable households

- 5.34 The Council has commissioned refuge accommodation for women fleeing domestic violence. Ten units are currently being provided to residents to ensure safety, support to access benefits, obtain school places for their children, support health and well being as well as provide advice to access stable and longer term housing. However, these are often made available to women from outside the borough while, for reasons of safety, local victims may need to be accommodated away from the area
- 5.35 The Council recently commissioned St Mungo's to deliver a consolidated housing support service for vulnerable adults with mental health needs, drugs and alcohol dependency and ex-offenders (see chapter 6). The tiered pathway model being applied includes a Housing First approach where self-contained accommodation is offered to clients at the outset along with wrap-around support to prevent homelessness occurring or recurring.
- 5.36 Some households will be allocated move on accommodation through agreed quotas on the Housing Register. Others will be assisted to access private lets (supported by St Mungos), but as with other households lack of supply is an issue.

# 6 Supporting homeless households

- 6.1 The Council commissions housing related support services for a range of vulnerable people including care leavers, homeless young people, people with a learning disability, women at risk of domestic violence, older people, people with mental health needs and/or substance misuse problems and ex-offenders. In many cases the support provided directly or indirectly helps to prevent or relieve homelessness as well as providing help with other issues that people face.
- 6.2 The current short term supported housing and floating housing support services were commissioned to deliver specified outcomes identified during the review of previous housing support services. These services are expected to break the cycle of repeated homelessness, to provide cost effective, flexible and high quality support, enabling clients to gain the ability and confidence to move from supported living settings into independence, to retain their independence and continue to live in their own home for as long as possible.
- 6.3 The following table sets out the commissioned housing related support services currently being delivered.

Table 6.1: Commissioned housing related support services

Provider	Client Group	Service Description
St Mungos	Single homeless adults with mental health needs and/or substance misuse and ex-offenders	130 units of supported housing across 37 properties and a minimum of 100 resettlement and floating support service clients per annum
Depaul (low/medium needs) & Barnado's (high needs)	Care leavers, statutory homeless young people and unaccompanied asylum seeking young people	36 units of supported housing across nine properties and six weeks to six months resettlement support service
Hestia	Accommodation and support for women and children at risk of domestic abuse	Providing 10 units of refuge accommodation for women (and families) fleeing domestic abuse, floating support and transitional move on support
Southcroft Lodge (formerly Ambient) Support	Rehabilitation project for people with mental health and complex needs. (Service users are Care Act eligible)	Two properties, one consisting of 11 rooms with 24 hour support and the second providing four rooms for step down accommodation.
Encompass	People with a learning disability, difficulty and cognitive development needs	Floating support provided to people living in 29 units of supported housing units across five properties and floating support to people in other accommodation settings.
Encompass	Single people, couples and families	Wellbeing coaches support up to 120 households per year providing early intervention to reduce risk of crisis and homelessness and build resilience, including financial resilience through employment and training opportunities

- 6.4 Along with an increase in the number of looked after children in Sutton since 2011, the number of care leavers and unaccompanied asylum seeking children and young people has also risen. These needs and associated concerns are a challenge to the local authority, to both support and to accommodate within the supported housing pathway.
- 6.5 The Council has developed a successful floating support offer using its own properties, which complements the supported accommodation pathway by adding 27 units; these units are primarily used to accommodate and support unaccompanied asylum seeking young people. Additional properties are being added to this portfolio to further increase capacity in 2023/24.
- 6.6 The Council is also replacing its Sutton Framework for semi-independent accommodation placements, which expired in December 2022, with a local dynamic purchasing system. This will reflect the new national standards introduced for supported accommodation offered to children in the care of the local authority aged 16 17 years.
- 6.7 To support clients with complex needs, including mental health issues and/or substance misuse problems the Council and South West London Integrated Care Board Sutton Place have commissioned the following services.

#### Sutton Uplift

- 6.8 The Sutton Uplift service has been in operation since 2013 and is commissioned by the South West London Integrated Care Board (ICB) Sutton Place. The service is delivered by South West London & St Georges Mental Health Trust. The value of the contract is £2.8m per annum.
- 6.9 The Sutton Uplift service has four separate pathways, all of which are free and accessible to homeless people:
  - Single point of access to all mental health referrals
  - Wellbeing pathways linked with third sector providers offering follow-ups for mild to moderate mental health service users
  - Primary care mental health services
  - Improving Access to Psychological Therapies (IAPT); Core Service and IAPT Long Term Conditions

#### Adult Mental Health Crisis Line

- 6.10 SWL & St George's provide a 24/7 telephone crisis line. This triage service will screen and signpost as necessary. If the crisis requires a face to face assessment an urgent face to face assessment can be carried out at home or in the community.
- 6.11 A referral can also be made to the Crisis Assessment Team for telephone support, screening and signposting by mental health professionals. Partnership working between the SWL & St George's Psychiatric Liaison Teams, the London Ambulance Service, hospital emergency departments, and the police further enables response to mental health crises.

### Sutton Crisis Cafe

6.12 The Sutton Crisis Cafe is commissioned by SWL ICB Sutton Place. This three year pilot delivered by Sutton Mental Health Foundation provides a drop in service seven

days a week from 6.30pm-11pm to support people experiencing mild to moderate mental health crises in the community or their carers.

#### Sutton Home Treatment Team

6.13 This SWL ICB Sutton Place team, which forms part of South West London & St Georges Mental Health Trust block contract, operates from Jubilee House in Wallington and provides a 24/7 service to Sutton residents. It delivers mental health interventions in the community as an alternative to admission to hospital for clients aged 18-75. It also responds to the needs of individuals who may be in hospital and/or suffering a mental health crisis.

#### **Inspire**

- 6.14 Inspire is the name of the integrated substance misuse service commissioned by the Council to deliver treatment and care for those abusing drugs and alcohol. Cranstoun is the service provider, and care is delivered in conjunction with South West London & St George's Mental Health NHS Trust and Sutton GP Services Ltd.
- 6.15 The service is open to all Sutton residents in need of support or those registered with a Sutton GP and provides a range of services for both adults and young people. Inspire not only supports clients with their addictions but also with detox treatments and recovery once stable.
- 6.16 The provision of this service is part of the conditions of the Public Health Grant under the Health & Social Care Act 2012. Local authorities have a duty to reduce health inequalities and improve the health of their local population by ensuring that there are public health services aimed at reducing drug and alcohol misuse. This also includes improving wider determinants of health through public health indicators - for example, violent crimes and child poverty.
- 6.17 Homelessness is associated with severe poverty and is a social determinant of health. It is also associated with adverse health, education and social outcomes, particularly for children. In Sutton it is recognised that in order to support residents to achieve the best outcomes, a holistic approach to how we manage people's health and care is essential. Inspire works in partnership with local agencies including the Council's welfare reform team, Sutton Uplift and the housing support team to support clients with a wide range of issues so that they are able to seek information and advice on how to improve their situation without having to visit multiple agencies.

#### Advice Link Partnership Scheme (ALPS)

- 6.18 Together for Sutton (TfS) provides professional, confidential information, advice, support and advocacy to residents in the London Borough of Sutton. The service was launched in July 2022 and replaced the ALP's (Advice Links Partnership) service.
- 6.19 The vision for this service is to encourage and enable all Sutton residents to access information and advice through the most appropriate channel and at the right time in order to stay well and lead as full a life as possible. It's designed to bring voluntary sector organisations together to provide a single access point for residents in the borough.
- 6.20 The TfS partnership is made up of seven local voluntary support organisations, the service is currently delivered by Citizens Advice Sutton, Healthwatch Sutton, Age UK Sutton, Advocacy for All, Community Action Sutton, Sutton Carers Centre and Volunteer Centre Sutton.

6.21 The service is in its first year of mobilisation. TfS delivery partners received a total of 7,472 initial contacts in the quarter to Dec 2022, which included telephone, drop-in and online enquiries. Of these, over 1,639 were from people needing to make claims for welfare benefits, over 460 were from people with debt problems and over 1,300 people in caring roles. A total of 3,463 residents accessed the TfS service for debt, welfare benefits and carer support from October to December 2022.

#### Multi-Agency Risk Assessment Conference (MARAC)

6.22 MARAC is a standing monthly meeting to discuss issues relating to the top 10% high risk cases in the borough. Information is shared and actions discussed and assigned as part of a plan to ensure the safety of high risk domestic abuse victims and their families. The work of Independent Domestic Violence Advisors (IDVAs) is integral to the MARAC process. Advice and support is provided to prevent risk from escalating and households from becoming homeless due to domestic abuse.

### Sutton Multi-Agency Public Protection Arrangements (MAPPA)

6.23 MAPPA is a National Probation Service coordinated process through which the police, probation and prison service work together with other agencies to manage the risks posed by violent and sexual offenders living in the community in order to protect the public. MAPPA is not a statutory body in itself but is a mechanism through which agencies can better discharge their statutory responsibilities and protect the public in a coordinated manner. Agencies at all times retain their full statutory responsibilities and obligations.

### Support for families with no recourse to public funds

- 6.24 Local authorities have statutory duties in relation to safeguarding the welfare of children in their area where the parents have no recourse to public funds and they require accommodation and or financial assistance. In such scenarios where an assessment has taken place, provision is made under s17, Children Act 1989.
- 6.25 When assessing the needs of families presenting as having no recourse to public funds, the Council considers if a child is deemed to be destitute without the local authority's support and intervention. In addition to subsistence payments, where the family is homeless the Council has a duty to provide accommodation. Given the limitations that the Children's Social Care has, housing provision is generally provided as either B&B accommodation or a placement with a host family.

### Support offered by the Department for Work and Pensions (DWP)

- 6.26 The DWP supports families by removing barriers to enable movement into appropriate and sustainable employment/training. It also supports and up-skills local authority and JobCentre Plus staff and other external partner organisations. This includes:
  - Providing families with a direct employment advisory and support role using expertise of the local labour market, skills provision, and calculating in-work benefits
  - Developing local labour market knowledge, working with employers, taking into account skills needs to create employment and apprenticeship opportunities
  - Supporting referrals to local partners
  - Providing advice and support to authorities and local partners on the eligibility, referral process, support packages and benefits of DWP's mainstream employment provision

- Supporting the local authority team by attending family team meetings to ensure work focussed actions are incorporated into the whole family approach
- Proactively participating in case conferencing.
- 6.27 The DWP also employs a homelessness outreach worker who works with street homeless, those in temporary accommodation, those under threat of eviction and those in inappropriate accommodation (e.g. overcrowded households. sofa surfers etc). Specifically the support services offered by the postholder include:
  - Assistance with benefits advice and guidance including new claims and ongoing maintenance
  - Signposting to other appropriate professionals such as councils, hostels etc.
  - Assist with applications for housing, grants etc.
  - Safeguarding
  - Advice on training and job search
  - Supporting JobCentre Plus coaches with advice on supporting homeless clients.

# 7 Costs and resources

7.1 This chapter sets out the overall financial cost of homelessness to the borough alongside the resources available in terms of grants and other funding sources. The costs comprise the various homelessness-related statutory functions carried out by Encompass on the Council's behalf. In addition, there are direct costs of providing temporary accommodation in its various forms.

## **Encompass staffing costs**

7.2 The following table summarises the cost of the homelessness and homelessness-related functions carried out by Encompass, set against the various sources of funding that the company receives including government sources of funding to supplement its budgets for tackling homelessness. These cover the outturns for 2020/21 and 2021/22 along with the budgets for 2022/23. Encompass currently employs 103 FTE members of staff who work on homelessness, housing advice and the management of temporary accommodation.

Table 7.1: Encompass staffing costs 2020/21 to 2022/23

	2020/21 outturn (£)	2021/22 outturn (£)	2022/23 budget (£)
Expenditure			
Advice, Assessment and Information; Property Management and Temporary Accommodation	3,783,113	3,858,776	3,935,951
Resources			
Contract sum (from the Council)	2,582,886	2,247,326	2,068,738
Homelessness Prevention Grant	1,200,227	1,524,000	1,630,313
Rough Sleepers Initiative (RSI)	0	0	100,000
Refugee Resettlement Grant	0	0	26,000
Ukraine Resettlement Grant	0	0	42,000
Accommodation for Ex-Offenders Grant	0	87,450	68,900
Totals	3,783,113	3,858,776	3,935,951

NB: Figures may not add up exactly due to rounding

7.3 In terms of grants, the amounts received under each during the last three years, along with the current year (2023/24) is summarised below. The figures do not always equate to those in Table 7.1 as they may in part remain in the Council's accounts.

Table 7.2: Government funding received or due 2020/21 to 2023/24

Type of funding	2020/21 (£)	2021/22 (£)	2022/23 (£)	2023/24 (£)
Flexible Homelessness Support Grant (renamed Homelessness Prevention Grant from 2021/22)	1,169,725	1,756,536	1,756,536	1,756,536
Homelessness Reduction Act (New Burdens) funding	393,725			
Domestic Abuse Act (New Burdens funding)			23,777	73,480
Homelessness Prevention Top Up		368,306	283,312	
Rough Sleepers Initiative (RSI) (Bid)	209,613	468,567	498,120	314,100
Cold Weather Fund	50,000			
Private Rented Sector Access Fund (Bid)	235,000			
Next Steps Accommodation Programme (Bid)	475,046			
DAHA Transformation Fund		34,058		
Accommodation for ex-Offenders (Bid)		87,450	68,900	210,264
Ukrainian Resettlement Grant			68,000	185,000
Discretionary Housing Payments funding	637,287	488,961	339,519	346,556

NB: The above are all 'mandatory' grants, with the exception of the Private Rented Sector Access Fund, which was the outcome of a bidding process.

7.4 The Flexible Homelessness Support Grant (now Homelessness Prevention Grant) has been used in a number of different ways, with the essential aim of preventing homelessness and minimising the use of temporary accommodation; largely, the funding has been used to increase staffing. The Homelessness Prevention Top Up funding was allocated to SPEAR to fund a project worker; while the RSI funding was used to cover a funding gap in relation to Sutton's new rough sleeper accommodation.

# Temporary accommodation costs by type

7.5 The table below shows net annual expenditure on temporary accommodation over the last three years, split between emergency accommodation and private leased properties. As can be seen, there was a notable drop in the cost in 2021/22 due to the reduction in the rent charged to tenants when we reverted to the prescribed rent of 20% of 2011 LHA. The collection rate for that particular year was higher and the bad best provision was much smaller compared to the 2022/23 financial year.

Table 7.3: Net annual cost of temporary accommodation by type

	2020/21 (£)	2021/22 (£)	2022/23 (£)
Nightly paid accommodation	1,304,124	775,855	1,317,450
Private leased units	173,876	98,629	250,766
Total	1,478,000	874,484	1,568,216

- 7.6 Sutton Council signed up to the Pan London Inter-borough Accommodation Agreement (IBAA) in 2015, which sought to cap what authorities would pay for nightly paid accommodation. This was in an effort to reduce costs and put an end to authorities competing against each other in the market and thus inflating prices. Each authority sets its rates for its area and these are shared throughout London. Whilst this had the desired effect of reducing costs, it had the side effect of reducing standards, and some providers removing themselves from this market completely.
- 7.7 The table below shows the average gross and net costs to the Council of nightly paid accommodation per unit per annum, depending on the size of the households/ accommodation. The subsequent table shows the equivalent average net cost of private leased accommodation.

Table 7.4: Average net cost of Nightly Paid Accommodation per household per year

Family Composition	Bedroom size	Average Gross Cost	Average Net Cost
Singles	Shared	£13,332	£3,776
1 or 2 adults	Studio	£14,390	£4,328
1 or 2 adults / 1 child	1 Bed	£16,739	£7,132
1 or 2 adults / 2 children	2 Beds	£17,904	£7,755
1 or 2 adults / 3 children	3 Beds	£21,552	£10,500
1 or 2 adults / 4+ children	4 Beds	£20,381	£8,125

Table 7.5: Average net cost of Private Sector Leasing per household per year

Bed size	Average Net Cost
1 Bed	£3,048
2 Beds	£3,247
3 Beds	£3,897

7.8 The cost of temporary accommodation comes directly from the Council's General Fund. Housing benefit assistance has remained capped at 90% of the January 2011 Local Housing Allowance rate. On 1 April 2017, the removal of the Temporary Accommodation Management Fee subsidy from the Housing Benefit subsidy meant

additional burden on the Council to make up for the shortfall. Although there is the Homeless Prevention Grant (HPG) that was meant to cushion the impact, there is no guarantee that this will remain for the long term and that the funds would be used as intended.

## **Supported Housing and Floating Housing Support Services**

7.9 The following table shows the cost of providing supported housing and floating housing support services over the last three years. These services provide short term supported accommodation for homeless care leavers and vulnerable adults as well as support to enable service users to sustain their accommodation.

Table 7.6: Housing support services for vulnerable adults and young people

Client Group	2020/21 (£)	2021/22 (£)	2022/23 (£)
Care leavers and homeless young people supported accommodation (block contract only¹)	£364,540	£369,735	£390,474.29
Women experiencing domestic violence	106,000	106,000	106,000
People with a learning disability, difficulty and cognitive development needs	125,000	125,000	125,000
Adults with mental health needs and/or substance misuse and ex-offenders	813,000	830,000	830,000
Total	1,408,540	1,430,735	1,423,055

7.10 As well as the costs and resources of the Council and Encompass, there are many other agencies that play a role in dealing with homelessness. Within the statutory sector are the health service, probation, the police and criminal justice, drug and alcohol services. Some voluntary sector organisations, such as SPEAR and St Mungos, are commissioned and thus funded by the Council while others may receive council grants. Other bodies, for example Sutton Nightwatch and the Salvation Army, rely on other sources of funding although the Council does provide the former with rent free accommodation.

45

<sup>&</sup>lt;sup>1</sup> Please note: The London Borough of Sutton also commissions other forms of supported accommodation for care experienced young people, such as independent living outreach support and individual semi-independent accommodation placements. The spend figures for these are not provided in the table above.

# 8 Projections and gaps in service provision

- 8.1 This chapter begins by attempting to make some projections in relation to homelessness over the next few years, in particular regarding the number of households to which the Council will owe the main homelessness duty and the likely demand for temporary accommodation. It should be understood that due to the nature and multiplicity of the factors influencing homelessness it is very difficult to predict future needs with any degree of certainty.
- 8.2 The chapter then looks briefly at gaps in service provision, beginning with the need for accommodation followed by prevention and support services.

# **Homelessness projections**

8.3 The following table shows, by way of illustration, the number of main duty homelessness acceptances, with a breakdown by property size requirement, that could arise over this and the next four years. These projections are based purely on recent trends, using a simple linear forecast, while also taking into account the number of acceptances to date.

Table 8.1: Projected homelessness acceptances by property size requirement

	2023/24 2024/25 2025/26		2025/26	2026/27
Bedsit / 1 bed	153	158	162	166
2 bed	40	37	34	31
3 bed	18	17	17	16
4+ beds	9	9 9		10
Total	220	221	222	223

8.4 Based on the above projected acceptances, the following table takes into account trends in the numbers of lettings becoming available and homeless households allocated social housing, as well as those that secure a private let. The table then extrapolates the rehousing shortfall, annually and cumulatively, over this and the next three years.

Table 8.2: Projected numbers of households accepted vs numbers rehoused

	2023/24	2024/25	2025/26	2026/27
Nos. households accepted (A)	238	243	248	254
Nos. re-housed in social housing (B)	86	122	121	120
Re-housed in the private sector (C)	6	8	9	11
Rehousing shortfall: A - (B+C)	146	113	118	123
Cumulative shortfall	146	259	377	500

8.5 As the table shows, on the basis of the assumptions made, and that all else remains equal, the cumulative shortfall reaches 500 in three years' time. When this figure is

added to the number of households currently in temporary accommodation (940) it suggests that there could be well over 1,400 households in temporary accommodation by 2026/27.

## Gaps in service provision

8.6 This section briefly summarises our current understanding of the gaps that exist in relation to homelessness, in terms of providing accommodation, preventing homelessness and supporting homeless households.

#### **Need for accommodation**

- 8.7 Clearly from the above analysis, notwithstanding the illustrative nature of the figures presented, the major gap to be addressed in relation to accommodation is the lack of rehousing opportunities that the Council has to discharge its main homelessness duty. In addition, while the shortfall between homelessness acceptances and main duty discharge continues, there will also be a need for further temporary accommodation, including for non-priority households and households requiring ongoing or long term support.
- 8.8 The need for additional affordable housing more generally was calculated as part of Sutton's 2023 Local Housing Needs Assessment (LHNA), which uses a Government prescribed methodology. The LHNA identified a requirement for 1,078 net additional affordable rented homes (when households already in accommodation are excluded) in the borough each year over the period to 2041. It also provided a breakdown of the need by property size and tenure. Of the total requirement 76% was for social / affordable housing and 24% for intermediate housing. In terms of dwelling size, the requirement was for 7.9% one bedroom, 27.6% two bedrooms, 43.9% three bedrooms and 20.6% four + bedrooms.
- 8.9 The options for move-on for care experienced young people are limited. Care experienced young people are staying in commissioned placements for lengthy periods because of an absence of sufficient suitable and affordable move on options for young people in Sutton.

#### **Prevention and support**

- 8.9 As has been illustrated, a considerable amount of activity goes on in the borough to try and prevent households from becoming homeless, whether this is through the work of Encompass or the multitude of other agencies and organisations operating both within the statutory and voluntary sectors. However, it is not fully clear the extent to which the voluntary sector is contributing to homelessness prevention and support. Notwithstanding this, a key question is to what extent is preventable homelessness actually prevented. And further, if more could be done, how would the additional intervention work best be delivered and can the resources be found?
- 8.10 In terms of gaps in support provision, Encompass's operational activities suggest a need for more supported housing, particularly that which allows quick access for rough sleepers. There is also an emerging need for longer-term support, both accommodation-based and in the form of floating support.
- 8.11 In terms of specific client groups, gaps in service provision have been identified for people with learning difficulties and disabilities as well as for people with mental health needs. As part of a Council review process, the housing support needs of clients with a mental health need and those with learning difficulties and disabilities will be

- reassessed, the outcomes informing future commissioning priorities and the supported housing pathway for each client group.
- 8.12 The Leaving Care Team has identified a lack of good quality supported housing options in the borough to meet the complex needs of care leavers over the age of 18, particularly those associated with mental health issues, substance misuse and the pull of criminal and anti-social behaviour. Discrimination against care leavers and the lack of communication by some social landlords, when a young person displays problems with managing their tenancy, have contributed to them losing their accommodation. Further, where care leavers are evicted, there is no clear pathway specifically designed for them through the homelessness system, and they are often assessed as intentionally homeless.
- 8.13 Where care leavers are placed in emergency or temporary accommodation, the quality of the accommodation and its location can sometimes make it difficult for the Leaving Care Team to support young people to change their behaviour, pay their bills, manage their debts etc.
- 8.14 St Mungos have identified a gap in the provision of advocacy advice for rough sleepers and those of no fixed abode who wish to appeal decisions. They also believe that there is a lack of supported housing for young people (18 to 25) and have raised a concern that mixing young people who have mental health/behavioural and/or substance misuse issues with older adults with more entrenched behaviour could place the former at risk.

# Appendix A

# **Lettings Plan 2023/24**

Estimated Supply for 2023/24							
	1 Bed General	1 Bed Sheltered	2 Bed	3 Bed	4+ Bed	Totals	Comments & Explanatory notes
2018/19 (exc. new build)	103	103	113	53	12	384	
2019/20 (exc. new build)	83	96	119	51	8	357	
2020/21 (exc. new build)	77	113	81	32	4	307	
2021/22 (exc. new build)	111	100	83	49	12	355	
2022/23 (exc. new build)	125	25	109	45	1	305	Figures estimated as at 01/03/2023
Average Supply	100	87	101	46	7	341	
Plus New Build in 2023/24	14	5	15	0	0	34	Thyme House 8x1b; 15x2b. Eagle Chambers 6x1b; Ronald House 5x1b sheltered
Total Projected Supply	114	92	116	46	7	375	

Projected need to meet key priorities								
		1 Bed General	1 Bed Sheltered	2 Bed	3 Bed	4+ Bed	Totals	Comments & Explanatory notes
Band A - I	Band A - Under Occupation Scheme		0	0	0	0	8	Family sized units given to other priority groups
Band A	provision – other	27	2	15	11	5	60	
	of which: Medical Priority 1	2	2	2	3	0	9	Estimate based on numbers housed 2022/23
	Succession	2	0	2			4	Estimate based on numbers housed 2022/23
of which:	Discretionary Offers	1		1			2	Estimate based on numbers housed 2022/23
	Reciprocals	1		1	1		3	
	Disability Housing Panel	21		9	7	5	42	Estimate based on numbers waiting for accommodation
Band A - Quota provision		28	0	5	2	1	36	
of which:	of which: Leaving Care	25		3			28	Estimate based on numbers housed 2022/23

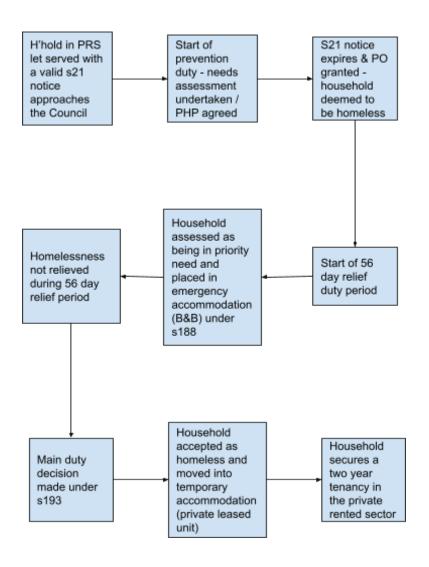
	Vulnerable Adults / Mental Health	3					3	Estimate based on numbers housed 2022/23
	Children & Families	0		2	2	1	5	Estimate based on numbers housed 2022/23
	Probation	0					0	
Band A - Move o Supported Housi	•	25	6	0	0	0	31	
	St Mungo's	20	5					
of which:	SPEAR (Rough Sleepers)	2	1					
	Housing First Provision	3						New provision linked to the rough sleeper funding bid
Provision to crea	Provision to create new TA		0	0	5	0	5	Larger units required due to affordability of other provision
Provision to mee	Provision to meet Decant Programme		0	9	3	1	16	Expected moves from Elm Grove. Bed Sizes estimated
Sub	Total	91	8	29	21	7	156	
Total supply available for Bands B, C, D, TNN, OPEX		23	84	87	25	0	219	Supply less key priorities
Total		114	92	116	46	7	375	To match Row 12

Other Band A lets (no net loss/gain - like for like)								
	1 Bed General	1 Bed Sheltered	2 Bed	3 Bed	4+ Bed	Totals	Comments & Explanatory notes	
SHP Management Transfers	8		2	2		12	All voids created will be let in accordance with the letting plan, Housing association voids created	
Housing Association Management								
Housing Association Management Transfers	2		2	1		5	will be subject to nomination rights	

Allocation to remaining bands								
		1 Bed General	1 Bed Sheltered	2 Bed	3 Bed	4+ Bed	Total	Comments & Explanatory notes
Band B	%	52%	6%	71%	64%	0%	43%	A significant proportion (43%) of units will be allocated to Band B households who have been accepted as homeless, with the exception of older people's accommodation to reflect the lower demand within Band B
	No.	12	5	62	16	0	95	
Band C (inc C+)	%	39%	80%	26%	36%	0%	49%	
	No.	9	67	23	9	0	108	
Band D	%	9%	6%	2%	0%	0%	4%	
	No.	2	5	2	0	0	9	
TNN	%	0%	8%	0%	0%	0%	3%	
	No.	0	7	0	0	0	7	
Total	%	100%	100%	100%	100%	0%	100%	
	No.	23	84	87	25	0	219	

Estimated waiting time (years) for 2023/24									
		1 Bed General	1 Bed Sheltered	2 Bed	3 Bed	4+ Bed	Comments & Explanatory notes		
Band B		4.50	0.60	4.85	7.69	0.00	Internal use only (this is based on the number of households in each Band and number of properties estimated to be let to each Band)		
Band C (inc. C+)		-	0.43	18.22	65.22	-			
Band D		-	0.00	33.50	-	-			
TNN		-	1.43	-	-	-			

# **Example of a homeless household pathway**



### Notes

PRS = Private rented sector

s21 notice is a notice to quit served under the Housing Act 1988

PHP = Personal Housing Plan

PO = Possession Order

s188 and s193 are in relation to duties to accommodate under the Housing Act 1996