

Temporary Accommodation Procurement and Allocations Guidelines

Housing

1 April 2019

Richmond Borough Council	
Temporary Accommodation Procurement & Allocation – Policy guidelines 2019/20	
Statutory References	Housing Act 1996 Part VII (as amended) – generally and s208(1) specifically Children Act 2014 – generally and S11(2) specifically
Statutory guidance and regulations considered	Homelessness Code of Guidance for local authorities, issued by the Secretary of State under s182 (1) in March 2018, specifically chapter 17 which provides guidance on the factors taken into account suitability issues. The Homelessness (Suitability of Accommodation (England) Order 2012 (SI 2012/2601) generally and article 2 specifically. Supplementary Guidance on the homelessness changes in the Localism Act 2011 and on the Homelessness (Suitability of Accommodation (England) Order 2012 generally and paragraphs 48 and 49 specifically.
Scope	These guidelines are applicable to both the provision of temporary accommodation which does not bring the s193(2) duty to an end and to Private Rented Sector Offers made to bring that duty to an end. With effect from 1 st April 2019, these guidelines also apply accommodation offered under the prevention and relief duties incorporated in Part VII of the Homelessness Reduction Act 2017 The guidelines will also underpin the Council’s activity in procuring private sector properties in order to discharge these duties.
Contextual information	These policy guidelines are recommended and adopted in response to the judgement of the Supreme Court in the case of (TN) Nzolameso v Westminster City Council (2 nd April 2015). That judgement recommended that each local authority has policies in place and approved by elected members of the Council detailing: a) how the council will secure sufficient units of temporary accommodation to meet anticipated demand for the coming year reflecting its’ obligations under both the 1996 Housing Act and the Children Act 2004 and b) how the council will allocate such units of temporary accommodation as are available to individual homeless households, to which reference can be made when deciding and explaining who will or will not be allocated accommodation in and out of district. The Council’s Housing and Homelessness Strategy for the period 2018-2023 was approved by the Council’s Cabinet on the 15 th March 2018 including these guidelines that report, which is

	<p>essential reading to understand the full context in which they operate. The Council report on Homelessness Reduction Act 2017 at the cabinet of 15th March 2018, also provides context for procurement of accommodation and reduction of temporary accommodation use.</p> <p>The summary below sets out in broad terms the local housing and homelessness context. This strategy will inform officers on the areas they will be able to 1) procure private sector properties and 2) offer the accommodation.</p>
<p>The Housing and Homelessness position in the borough as at 28th February 2019</p>	<p>The Borough, in common with the majority of London boroughs, is facing significant demand for statutory homelessness services which are expected to expand, once the Homelessness Reduction Act changes take effect.</p> <p>As at 30th March 2019, the Council was providing temporary accommodation for 293 households, the use of temporary accommodation has remained relatively stable. However, during that period, the use of such accommodation by the London Boroughs collectively has increased significantly, particularly in the light of the Homelessness Reduction Act 2017 and this has made the market place for good quality accommodation much more competitive.</p> <p>Most of the households placed into temporary accommodation are reliant on state benefits (i.e universal credit/benefit capped)</p> <p>Within that increase, homelessness from the private rented sector, in common with regional trends, has risen sharply to be the largest single cause of homelessness. Demand from larger families e.g. those needing 4 bedroom or larger properties has increased very significantly over the same period.</p> <p>The borough is affected by the benefit cap on local housing allowance LHA levels (set at a maximum of £442.31 if you live in Great London as a couple or single parent with children or £296.35 per week if you are single and you do not have children) and has a significant number of households affected by the cap on total welfare benefits (currently set at £442.31 PW regardless of household size).</p> <p>Rents levels within the Private Rented Sector have risen significantly over recent years, as have property prices in the borough.</p> <p>End of March 2019, 52 per cent of all temporary accommodation used at the close of the year was located within the Borough, with a further 48 per cent located across London (principally the</p>

	<p>adjacent boroughs of LB Hounslow and LB Wandsworth or LB Croydon).</p> <p>The majority of out of borough placements comprises B and B and/or annex type accommodation, of which there is a very limited supply within the Borough, occupied on a spot purchased basis often at short notice.</p> <p>Out of the 297 placements made at the end of February 2019, 4 were in B and B whereas the other 293 were spread across other types of temporary accommodation, which, by a large majority, provide self-contained accommodation.</p> <p>Around 70% of households placed into temporary accommodation are reliant, in part or in whole, on housing benefit.</p> <p>During 2018/19 283 households were placed into temporary accommodation for the first time; an average of 6 households per week. The pattern of placements is not predictable or smooth and monthly totals ranged from 17 (in June 2018) to 52 (in January 2019).</p> <p>In the same year, some 101 households were accepted, after assessment, for the main s193(2) duty.</p>
<p>Arrangements for procuring temporary accommodation.</p>	<p>The Council has various supply streams providing temporary accommodation.</p> <p>These include working with known accommodation providers/letting agents for bed and breakfast (not self contained), bed and breakfast annex (self contained), other nightly paid self contained properties and include working with individual landlords for individual properties, secured on longer terms leases (3-5 years), and managed by the Council's in house team or secured as a Private Rented Sector Offer.</p> <p>Further the Council has access to a small number of specialist, hostels, mainly for single people, run mainly by RSL providers and lastly has a significant stock of HRA hostels, within the Council's freehold ownership and managed by the in house team. However, these largely cater for smaller households needing 2 bed rehousing.</p> <p>The Council does not have any 'sole' provider arrangements with third party accommodation providers, most of who work with and across multiple Councils/Council areas. The marketplace is often characterised as a sellers, rather than a buyers, market.</p>
<p>Affordability Considerations</p>	<p>Both secondary regulations, statutory guidance and relevant case-law make clear that affordability is a key component of the</p>

	<p>suitability of accommodation and that unaffordable accommodation may not be regarded as suitable.</p> <p>For the purposes of these guidelines 45% of total income has been used as the maximum amount of that should be spent on housing costs including rent.</p> <p>For non working households not exempted from the total welfare benefit cap, the applicable amounts by the DWP are as follows</p> <p>For Greater London, the cap is:</p> <ul style="list-style-type: none">•£442.31 per week (£23,000 a year) for a couple, whether children live in the household or not•£442.31 per week (£23,000 a year) for a single parent with children•£296.35 per week (£15,410 a year) for single childless people, or with children living elsewhere <p>Applying 45% to those amounts the relevant notional maximum rent affordable to those subject to the cap are as follows:</p> <p>Couple = £240 per week (rounded down) Single parent with children = £240 per week (rounded down) Single childless person = £160 per week (rounded down)</p>
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The availability of properties within and outside the borough

Where the Council is making placements under homelessness provisions i.e. under the interim duty, and especially where there has been little or no notice of homelessness arising e.g. in scenarios of domestic or other violence/harassment, accommodation choices can often be limited, and sometimes as low as one property only at the time of the household presenting

For emergency type placements, there is only one bed and breakfast establishment within the borough that works within the homeless families market, which itself takes bookings from other Councils.

As such, through necessity, many such emergency placements will be to accommodation outside the borough, often in adjacent boroughs but regularly to areas further afield within and outside of London.

On the 23rd April 2019 the following research was undertaken using the 'Rightmove' website to indicate the number of self contained properties then made available for rent. That website was used on the advice of the Council's Valuation Service.

The distances involved and noted in the tables below reflect the 'distance from' filter used within that website.

The reference point was the postcode of the Council Housing department at Civic Centre, 44 York Street; TW1 3BZ.

£1000.00 pcm was used to limit the search parameters equate to almost £230per week.

The filter limiting 'distance from' only covers the London Borough of Richmond when the '1 mile' filter is used.

All greater distances capture properties in and outside of the borough.

Flat shares and other non self contained accommodation were discounted

Property Size	Studio/1bed	2bed	3bed	4 bed	5 bed
Distance from	TW1 3BZ	TW1 3BZ	TW1 3BZ	TW1 3BZ	TW1 3BZ
1mile	9	0	0	0	0
3 miles	94	0	0	0	0
5 miles	301	4	0	0	0
10 miles	1428	63 (Walton on Thames, Langley, Sutton, Feltham)	1 (Addlestone)	0	0
15 miles	2,734 (Slough, Woking, Berkshire)	151 (Woking, West Wickham, Walton)	1 (Addlestone)	0	0 – HMO's only
20 miles	3,676 (Greenford, Slough,	321 (SE2, West Wickham,	9 (Bracknell, Buckinghamshire, Berkshire)	6 (Kent, SE24, NW2)	0 – HMO's only

	Redhill, Ilford)	Woking)			
30 miles	5,288 (Reading, Slough, Guildford)	1,255 (High Wycombe, Frimley)	54 (Luton, Hampshire, Dartford)	12 (Kent, Egham)	0 – HMO’s only
40 miles	6,556 (Slough, Reading, Strood, Tottenham)	2,550 (Luton, Gravesend, Kent)	299 (Gillingham, Chatham, Bedfordshire)	22 (Whitchurch, Rochester)	0 – HMO’s only

Decreasing the weekly/ monthly rent to £700pcm (£161.54 per week) for single households (flats shares/1 bed only)

Property Size	Studio/1bed	2bed	3bed	4 bed	5 bed
Distance from	TW1 3BZ	TW1 3BZ	TW1 3BZ	TW1 3BZ	TW1 3BZ
1mile	1	0	0	0	0
3 miles	10 (Hounslow, Hayes)	0	0	0	0
5 miles	40 (Hayes, West Molesey, Hounslow, Luton)	0	0	0	0
10 miles	335 (West Hampstead, NW2, Luton, Acton)	0	0	0	0
15 miles	577 (Muswell Hill, Stanmore, Finchley)	0	0	0	0
20 miles	679 (West Molesey, Croydon, Maidenhead)	0	0	0	0
30 miles	1,110 (Southgate, Luton, Muswell Hill)	0	0	0	0
40 miles	1,815 (Buckinghamshire, Luton, Essex)	0	0	0	0

Conclusions: From the information contained in the tables above, it is obvious that, aside of properties within the Council’s own stock, the availability of properties of the size needed by families with children at a rent linked to both the Total Welfare Benefit Cap and/or average wages/salary on the market within the Borough is extremely limited or non existent.

Further, it must remembered that, just because a property is notionally available, it does not follow that the landlord would be willing to consider taking a family from the Council or to hold a property for any considerable length for a family it is well known that many landlords take a business decision not to let to ‘homeless’ families or to families otherwise reliant on universal credit /local housing allowance.

Based on her experience, the opinion of the Council’s Accommodation Procurement

	<p>Manager is that no more than a quarter to a third of private landlords would be willing to consider letting to a household referred by the Council, whether the tenancy is to be managed directly through the landlord or through an agent or by the Council directly under the Private Sector Leasing scheme.</p> <p>As such, it is clear that it will very often not be reasonably practicable to secure accommodation, sourced through private landlords/agents for households, within the borough and the information on availability of affordable accommodation will impact on the ability to procure properties near to the borough</p> <p>Rather it will often be necessary, because of the realities of the housing market, to source accommodation considerable distances away from the borough necessitating rearranging of schools for children and of other arrangements e.g. health related services and treatment.</p> <p>Therefore on the discharge of the homeless duties, the potential supply of affordable accommodation will underpin the Council's procurement activity</p>
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<p>THE GUIDELINES ON THE ALLOCATION OF TEMPORARY ACCOMMODATION</p>
<p>Explanatory notes:</p> <p>These guidelines should be followed by staff when allocating/booking temporary accommodation for the placement of homeless households. They distinguish between priorities amongst descriptions of household circumstances to guide officers in deciding when to allocate temporary accommodation in borough, outside but close to the borough, further away from the borough but in London and outside of London if necessary.</p> <p>These guidelines should not be followed blindly and can be applied when there is more than one household under consideration and there is at least more than 1 temporary accommodation vacancy to consider.</p> <p>The golden rules are that, if accommodation in the borough is available, and if there is no known higher priority case for it, then the household being considered at the time should always be allocated that accommodation. If accommodation within the borough is not available, then accommodation should be allocated as close to the Borough as is available.</p> <p>These guidelines should also be applied with reference to the individual circumstances of the household needing placement and the characteristics of the property or properties available for allocation to them.</p> <p>Officers should use common sense when making allocations and not necessarily stick blindly to the following guidelines e.g. allocating a property just outside the borough where the household have good reason to prefer to be located in a part of the borough close to the (relevant) borough boundary, then out of borough accommodation may be a better allocation than in borough accommodation further away.</p> <p>For example, if the household is from the Ham/Petersham part of the council's district and have young children in schools in that area (e.g. Ham, Petersham or Richmond), an allocation of accommodation in the Kingston part of KT2 would be likely to be more preferable than in borough accommodation allocated in the Whitton area.</p>

Bed and Breakfast and other emergency access accommodation	Where bed and breakfast or other non self contained accommodation is all that is available officers should allocate in borough accommodation in all cases where such is available. Where in borough accommodation is not available, officers should look to place as close to the borough as possible although these guidelines recognise that, for such emergency accommodation, choices are often extremely limited and entirely dependant on what is available on any given day or indeed any given hour of the day.
Self Contained Temporary Accommodation	
Self contained accommodation located within Wandsworth	<p>Priority will be given for:</p> <ul style="list-style-type: none"> • Families with children in education in the borough where those children are too young or otherwise unable to commute to school and back again unaccompanied. • Families with children in special educational learning in Wandsworth for example the school for deaf children in Balham or one or other of the pupil referral units located in the borough unless there are good reasons to place outside of the borough. • Families with a household member attending very regular outpatient or inpatient hospital treatment e.g. on a weekly or a fortnightly basis. • Families with children coming up to major nationally assessed examinations in particular GCSEs. • Families receiving very regular care from relatives/friends in the borough or providing very regular care to relatives/friends in the borough
Self contained accommodation located in boroughs adjacent to Wandsworth or otherwise in the SW London sub region	<p>Priority will be given for:</p> <ul style="list-style-type: none"> • Families with children presenting a mix between those able to commute to and from school accompanied and unaccompanied. • Families with regular attendance at hospitals located in the borough for outpatient treatment at a frequency of at least monthly. • Families with employment in the borough at irregular hours which makes travelling to and from the workplace by public transport very difficult.
Self contained accommodation located elsewhere in London	<p>Priority will be given to:</p> <ul style="list-style-type: none"> • Families with children of an age able to commute to and from school unaccompanied. • Families with regular attendance at hospitals located in the borough for outpatient treatment at a frequency of greater than monthly. • Workless households.
Self contained accommodation out of London	<p>Priority will be given to:</p> <ul style="list-style-type: none"> • Families subject to the total welfare benefit cap where closer accommodation is not available.
Approved on:	7th July 2015
Effective from:	1 st April 2019
Review Date:	April 2020