



GOVERNANCE AND AUDIT COMMITTEE – 24TH JANUARY 2023

**SUBJECT: AUDIT WALES REPORT – HOMELESSNESS –
CAERPHILLY COUNTY BOROUGH COUNCIL**

**REPORT BY: CORPORATE DIRECTOR SOCIAL SERVICES AND
HOUSING**

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to inform members of the information held / findings and recommendations within the Audit Wales Report into Homelessness with the CCBC which was published in November 2022.

2. SUMMARY - WHAT WAS REVIEWED AND WHY

- 2.1 In January 2018 , the Auditor General’s Report on How Local Government Manages Demand – Homelessness , identified that Local Authorities are reacting to the problems caused by homelessness with varying degrees of success and that there is limited focus on preventing homelessness.
- 2.2 The above report highlighted that current legislative frameworks focussed on preventing homelessness but that not all authorities have effectively organised themselves to implement the new duties and that local authorities and partners needed to focus on this and within their strategic priorities.
- 2.3 Since March 2020 , the Covid 19 pandemic and more recently the Ukraine Crisis and Cost Of living Crisis has placed increased pressures on the Councils Homelessness services. This has resulted in an increase in presentations of homelessness with the number being accepted as Homeless and in priority need and unintentionally homeless having doubled in the last year.
- 2.4 The increase in presentations and the increase in statutory duties to provide accommodation has led to the need to increase temporary accommodation provision and as such requires more support and resourcing to deliver.
- 2.5 It has been noted that during the latter part of 2021 to current day the Council has been facing several external factors that are negatively impacting the numbers of households who are seeking support from the Housing Solutions Service of which include:

- The ending of the UK Governments Furlough Scheme
- The ending of the Universal Credit top up
- Escalating utility costs , rising inflation
- New/ changing legislation such as Renting Homes (Wales) Act 2016 and the addendum to the Priority Need Order for an 11th Category to Include those who are determined as Rough Sleeping/ Sleepers
- Increasing numbers of Ukraine refugees and other asylum seekers

2.6 These factors and pressures have impacted the Councils ability to prevent homelessness, with a fall in the percentage of households who have successfully had their application prevented falling from 73.1% in 2019-2020 to 62.18% in 2021-2022.

2.7 The Auditor General's Report 2018 identified that homelessness was more than a housing problem with much of what causes it being outside the control and influence of Local authority homeless services. However, the statutory duty to prevent homelessness and address Homelessness under the Housing Wales Act 2014 lies with the local authority and its Homelessness team and a multi-agency approach is required to deliver this.

2.8 Over the last year Welsh Government have requested that Councils document their plans for addressing homelessness via Rapid Rehousing Transitional Planning and Housing Support Programme Strategies.

2.9 Therefore the audit review has sought to answer the question: "In seeking to address homelessness, is the council effectively adapting its strategic intent to deliver a long term sustainable preventative approach?" A key focus of the audit was on how the Council is working with its partners to deliver its homelessness ambitions.

2.10 In undertaking the review from May 2022- August 2022 Officers had access to documents, interviews with staff, Councillors and partners and a workshop was facilitated with key homelessness partners .

3. RECOMMENDATIONS

3.1 Members are requested to note the content and findings and recommendations of the Audit Wales Report and any update in response to this provided by the Housing Solutions Manager.

4. REASONS FOR THE RECOMMENDATIONS

4.1 The report is for information and scrutiny at this time and will be reviewed in accordance with the Local Authorities Governance and audit procedures for monitoring purposes.

5. THE REPORT: FINDINGS AND RECOMMENDATIONS

- 5.1 The Report found that whilst tackling homelessness is an important priority for the council, it is yet to fully develop a sustainable and preventative approach to achieve this and the following factors have been drawn upon in the report to reach this conclusion.
- 5.2 Homelessness is a strategic priority for the Council and this is outlined in several strategic plans which it intends to develop with key partners.
 - 5.2.1 Preventing Homelessness is highlighted in the Councils Corporate Plan 2018-2023. A cabinet member has a specific housing portfolio that includes homelessness which supports its long term strategic priorities.
 - 5.2.2 The Council has made a commitment to building and acquiring more affordable accommodation by 2025.
 - 5.2.3 The Council has several strategies and plans in place to comply with WG requirements which include Rapid Rehousing Transitional Plan (RRTP), Local Housing Strategy and Housing Support Programme (HSP) Strategy.
 - 5.2.4 Engagement with partners and stakeholders has been undertaken in developing these plans and for the Rapid Rehousing Transitional Plan a Strategic Board will be set up to monitor the plan and its delivery and to support an effective multi agency approach to preventing and reducing homelessness.
 - 5.2.5 Several supporting plans are in the process of being drawn up to further outline aspects of the Council's strategic intent around homelessness.
- 5.3 There are many complex and difficult issues facing the homeless in Caerphilly, and while the Council is aware of them, its plans to address these issues are yet to be fully implemented.
 - 5.3.1 The report found the council has an improved retrospective and current understanding of its homelessness position from its own internal information and the needs analysis and data drawn for RRTP and HSP .
 - 5.3.2 Some of the key factors recognised in the report that are impacting the current homeless provision within the borough include:
 - The increasing number and complexity of cases which the housing solutions team have to deal with and how this can negatively impact staff wellbeing. Our RRTP sets out how we may look to review current process and resource to support and address this.
 - Lack of single person accommodation in the borough. The council is looking to maximise through its own new build plans and through the private rental sector to improve stock availability .
 - Existing accommodation is often unsuitable this can impact the councils

preventive ambitions. Actions to remedy this are being considered across all housing sectors of which some are highlighted in the RRTP and other Strategies.

- There is recognition that the current Common Allocation Policy may not focus appropriately on those in most need. Action – this is currently being reviewed with plans to undertake a Common Allocation Policy review in 2023 to ensure that it is reflective of need and demand going forward.
- There is a legacy of an increase in the use of temporary accommodation due to the mandate from WG to adopt the everyone in ethos during the pandemic.
- Current factors highlighted earlier in the report will have an impact and increase on pressures on the service.
- The work undertaken by Crisis in 2021 has provided the Council with a more comprehensive understanding of the homelessness environment. The Council is in the process of implementing some of the findings of this commissioned work by Crisis and are adopting some quick wins and looking at some longer term strategies.
- However, the council still needs to develop an understanding of the future of homelessness outlook to be able to plan effectively.

5.4 More needs to be done, building on the way the Council is using integrated preventative work with partners to address future demand from homeless individuals.

5.4.1 The Housing Support Grant funding has supported the council to deliver and develop many initiatives with internal and external partners. This helps to support the preventative approach to reducing homelessness and supporting people as the HSG is heavily relied upon to fund the staffing resource within the team.

5.4.2 Recognition was noted that due to the WG directive during the pandemic of the “no one left out approach” the council has focused on a crisis led service rather than on prevention, therefore a greater focus on preventative approaches now needs to be undertaken. The Housing Solutions Rapid Rehousing Plan sets out the need to refocus on early intervention and prevention and the previous Homeless Project Plan in October 2021 also set out prevention as its key priority .

5.4.3 There is commitment to ensure that there is a greater focus on identifying and meeting the needs of specific client groups and this is highlighted in the RRTP.

5.5 The Council has positive relationships with many of its partners. Some have identified areas that could be improved further to help prevent and reduce homelessness but the council is yet to take action.

5.5.1 The Council has key internal partnerships set up to deliver its homeless ambitions and the despite the Supporting People / Housing Support Grant team and Homelessness / Housing Solutions Team being in two different service areas they are well integrated.

5.5.2 The partners who were consulted as part of the review were very positive about their relationship with the council. Several examples of shared homelessness projects were provided and it reflected on the ability to engage with Council officers on a day to day basis.

5.5.3 Several examples of this were noted during the Audit review :

- The recent collaboration with Willmott Dixon to build energy efficient homes
- Caerphilly Keys the Private Rented Scheme run by the Council.
- Joint funded initiatives like the Nurse Practitioner based at a GP surgery focusing on Homeless people.
- Psychology staff based in a homeless unit where they look at the root cause of why a person becomes homeless.
- Proactive relationships between the health boards mental health and learning disabilities team and the Councils Homelessness And supporting people service.
- The development of a Debt relief order process in conjunction with Citizens Advice and the homelessness team.

5.6 The council is proactive in seeking to increase its resources and is developing its understanding of its future resource requirements .

5.6.1 Success can be seen in the Council's ability to draw down WG grants to support some of their homelessness initiatives. Examples of this are the current bids being submitted to WG under the transitional capital funding to support the accommodation needs of both Ukraine and homeless households and the £3.1 million WG Innovation Housing Programme to deliver 18 new single bed units within the borough.

5.6.2 The cost of temporary accommodation to the council as a result of the pandemic is at an all-time high, whilst previously WG have provided a hardship fund to support these costs this ended in March 2022 and whilst smaller awards are offered this will remain a financial pressure on the Council's resources. The RRTP highlights how it plans to reduce the dependency on temporary accommodation and how this may be more regulated but there is recognition that due to back logs within the system with placements and lack of move on this will take time to deliver and achieve .

5.6.3 There is Member support for the strategic plans of the Council such as developing more single person accommodation but costs are yet to be fully defined and approved by Members.

5.6.4 The Council has indicated that the new Corporate Plan will include a focus on Homelessness. It will be important that any proposals for homelessness contained within the corporate plan and other homeless plans are fully reflected with its revised MTFP to ensure appropriate resourcing matches ambition.

5.6.5 Key senior officers within the housing team are fairly new in post and are currently taking stock on the structure and service design of the Caerphilly Homes to support the delivery of a number of the strategies already referenced in the report. This will require approval of a business case which will be prioritised against competing council resources.

5.7 The Council has a framework for monitoring and evaluating its progress on its homelessness ambition . However, the effectiveness of this is impeded by the absence of key milestones and targets.

5.7.1 Whilst the current suite of plans and strategies have short- medium focus, many of

the initiatives are focused on addressing need over the longer term.

- 5.7.2 As part of the Council's Directorate Performance, Homelessness is monitored , however this framework does not include medium – longer term milestones which means the Council is not able to fully assess the progress that is being made on addressing homelessness.
- 5.7.3 The Rapid Rehousing Transitional Plan has recently been taken to Cabinet on the 7th September 2022. This will replace the previous Homeless Project Plan that was presented to Cabinet in November 2021 which outlines the key priorities and objectives for the Housing Solution Team in tackling prevention of Homelessness.
- 5.7.4 The Housing Directorate is investing in a new IT solution which its hoped will provide more granular data around housing and homelessness to support its decision making. A new post has also recently been created to look at improving housing data, focusing on its fitness for purpose and any data gaps to help support better understanding of performance.
- 5.8 Two key recommendations to improve the Councils ability to understand its performance and drive improvement have been made by Audit Wales following completing the review and compiling the report .
- 5.8.1 Recommendation 1 – Strengthen its planning and monitoring for homelessness:
- Better use of forecasting and benchmarking data
 - Setting a clear longer term vision to meet challenging need
 - Developing clear milestones and targets to assess its progress
 - Identify measures to evaluate the impact on its prevention activity
 - Ensure the required medium- long term resources are reflected in its medium term financial plan.
- 5.8.2 Recommendation 2 – Continue to work with its partners (internal and external) to address some key areas for improvements
- Engaging partners early in the development of key plans, strategies and developments.
 - Improving the dialogue with partners with what constitutes a “reasonable offer of accommodation”
- 5.9 Conclusions**
- 5.9.1 The Council accept the finding and recommendations in the report and have already started to look at how these recommendations may be adopted some of these include the following:-
- Specialist officers within the Housing Solution Team to target service delivery for those with more complex needs to prevent homelessness more successfully.

- Improved IT and data collection to be able to utilise this in longer term planning when considering service delivery and need.
- The RRTP sets out the services fundamental objectives in how it will tackle homelessness and a strategic board is being set up to monitor and support this. In addition a RRTP co -Ordinator is being recruited to support the Housing Solutions Manager in its delivery.
- Milestones for monitoring its delivery and success will be set against the RRTP objectives.
- A new officer appointed to look at data and performance.
- Affordable Homes Partnership quarterly meetings are in place to look at future development and need within the borough.
- Homelessness quarterly board meetings are being reintroduced with key partners .

6. ASSUMPTIONS

- 6.1 No assumptions have been made in producing this report as it is based on the findings of the Audit Wales Report.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 An IIA is not required at this time as the report is for information only.

8. FINANCIAL IMPLICATIONS

- 8.1 As highlighted in the report there is an immediate financial planning concern as well as the potential impact of mid to longer term finances in meeting certain provisions such as temporary accommodation. This is compounded by the withdrawal of the WG hardship fund in the last financial year which was replaced with a much smaller grant. This year we are projecting a £1.6m overspend and £1.9m the following year.
- 8.2 It is also worth noting that on average , funding from Housing Benefit only funds about 20% of the cost of a B&B placement (which is part of the reason the overspend is so high together with the increased placements).
- 8.3 Given the current Budget restraints on the Council as whole at this time then in order to achieve effective prevention of homelessness the Council will need to ensure that the service is adequately resourced and financed going forward to achieve this.

9. PERSONNEL

- 9.1 There is a need to consider additional personnel to achieve the ambitions set out to prevent homelessness.

- 9.2 Funding for these posts is currently being explored via the Housing Support Grant or where eligible WG .
- 9.3 Staff wellbeing and morale has been highlighted within the report as a concern and with presentations remaining static and with an increase in complex cases there is concern that staff may decide to seek alternative employment as a result of these pressures.
- 9.4 Ongoing measures are being considered to ensure that staff are supported to manage both case volumes and complexities and the introduction of some specialist roles will assist with this.
- 9.5 Regular 1:1s are held with staff to review wellbeing and cases and monthly team meetings occur to update staff and reflect best and poor practice.

10. CONSULTATIONS

- 10.1 Responses from the consultees named below have been included in this report.

11. STATUTORY POWER

- 11.1 N/A

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Consultees: Lay Member Nigel Yates, Chair Governance and Audit Committee
Cllr Ceri Wright, Vice Chair Governance and Audit Committee
Cllr Shayne Cook, Cabinet Member for Housing
Cllr Andrew Whitcombe, Chair of Housing and Regeneration Scrutiny Committee
Cllr Mrs Patricia Cook, Vice Chair of Housing and Regeneration Scrutiny Committee
Christina Harrhy, Chief Executive
Dave Street, Corporate Director Social Services and Housing
Richard (Ed) Edmunds, Corporate Director of Education and Corporate Services
Nick Taylor-Williams, Head of Housing
Sadie O'Connor, Senior Housing Advice Officer
David Francis, Senior Allocations Officer
Lee Clapham, Emergency Housing Officer
Shelly Jones, Supporting People Manager
Fiona Wilkins, Housing Services Manager
Jane Roberts-Waite, Co-ordination and Strategy Manager
Claire Davies, Private Sector Housing Manager
Robert Tranter, Head of Legal Services and Monitoring Officer
Stephen R Harris, Head of Finance and Section 151 Officer
Lesley Allen, Principal Accountant (Housing)
Jason Fellows, Housing Repairs Operations Manager
Alan Edmunds, Planned Asset Management/WHQS Manager

Background Papers:

Rapid Rehousing Transitional Plan
Homeless Project Plan
Local Housing Strategy
Housing Support Program Strategy
Renting Homes (Wales) Act 2016