

SUBJECT:	Homeless Prevention – Financial Inclusion Service
MEETING:	Adults Select Committee
DATE:	20th September 2016
DIVISION/WARDS AFFECTED:	ALL

1. PURPOSE:

- 1.1 To provide an overview of the Council's homeless prevention Financial Inclusion Service, which forms part of the Housing Options Service.

2. RECOMMENDATIONS:

- 2.1 Consider how the service is contributing to the Council's statutory duty to prevent homelessness and make recommendations as appropriate.

3. KEY ISSUES:

- 3.1 In April 2015, the Housing (Wales) Act 2014 placed a duty on the Council to prevent homelessness. In addition, the Welsh Government's regulatory Code of Guidance recommends that Financial Inclusion forms part of local authority homeless services.
- 3.2 The Committee will be aware from previous reports that it has been a priority of the Options Team to both strengthen homeless prevention activity and to implement the said legislation. In 2013, to inform improvement, an independent health-check was undertaken and identified a lack of access to specialist money advice was a weakness. In May 2015, a Financial Inclusion Officer was appointed to work alongside both Housing Option's and Housing Support staff to prevent homelessness. The post is targeted at preventing homelessness and, therefore, is focused on facilitating housing related solutions
- 3.2 Applicants at risk of homelessness due to underlying financial issues are offered specialist support from the Institute of Money Advice accredited Financial Inclusion Officer. Referred applicants, who are often in crisis and/or suffer from mental health issues, are initially assessed through a home visit to maximise engagement. Applicants are prioritised on the basis of impending homelessness. Cases are supported through a range of interventions which particularly include assistance with rent and council tax arrears, attendance and court liaison and negotiating with landlords. See **Appendix 1** for a more detailed overview of interventions.
- 3.4 The responsiveness of the service is critical (in order to try and prevent homelessness) as the Council has a legal duty to work with people who are threatened with homelessness within 56 days. In reality, timescales can be shorter because there are delays in presentations by applicants or referrals from other agencies. It's not uncommon for applicants to come to the attention of the team within days of an eviction, which minimises the opportunity to prevent. An overview of service activity and performance is detailed in **Appendix 2**.
- 3.6 The service also supports other functions:
- Under a Delivery Partnership, agreed by Cabinet in 2015, the Department of Works & Pensions are supported with the national expansion of Universal

Credit. This includes providing personal budgeting support. The Council receives formula based funding for actual provision.

- Affordability assessments for Welsh Government Home Improvement Loans. This attracts a fee of 8%.
- Increasingly, the service is receiving non-homeless prevention referrals from other agencies. Homeless prevention cases, however, need to be given priority.
- Affordability checks to assist applicants access private rented accommodation.

3.7 Improvement proposals include further professional development and accredited training to expand the scope of the service. Due to the prevalence of Council Tax arrears, this includes training in relation to Council Tax, which will provide wider support with regards to corporate income collection. Also, a funding bid has been submitted to the Money Advice Service 'What Works' funding programme to provide additional staffing capacity. The outcome of the bid is awaited.

4. REASONS:

4.1 The Service contributes to a number of strategic priorities including the legal duties of the Housing (Wales) Act 2014; the Welsh Government's Homeless Plan for Wales 2009-19, Tackling Poverty Action Plan and Financial Inclusion Strategy 2016. Locally, it contributes to the Single Integrated Plan, particularly the priority outcome of 'Families are Supported.'

5. RESOURCE IMPLICATIONS:

5.1 The service costs are approximately £32,000. Funding is currently through Welsh Government grant, to support the Council to implement the Housing (Wales) Act 2014. The post attracts income through the Universal Credit Delivery Partnership (£1,500 in 15/16) with the Department of Works & Pensions and affordability assessments for Home Improvement Loans (estimated at £1,500 for 16/17).

5.2 Although the post is able to utilise the Prevention Fund of £29,000 to help prevent homelessness, the post also secures seeks to acquire funding from external sources such as The Vicars Fund.

5.3 All successful prevention through the service supports the Council to avoid the need to find alternative or temporary accommodation and associated costs (which is limited in availability) and particularly helps to minimise the use of B & B.

6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:

6.1 Implications have been identified. **See Appendix 3**

7. SAFEGUARDING & CORPORATE PARENTING IMPLICATIONS

7.1 The service has an important role in relation to both safeguarding and corporate parenting in the context of preventing homelessness.

8. **CONSULTEES:** Chief Officer for Enterprise; Head of Planning; Cabinet Member for Community Development

9. **BACKGROUND PAPERS:** None

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Appendix 1

Overview of Role & Interventions of Financial Inclusion Service

- Home visits (to maximise the chances of engagement)
- Assistance to clear or reduce and repay rent arrears. Council Tax debt often accompanies rent arrears and assistance, therefore, extends to recovering this.
- Attending court and liaising with the Courts eg applying for cases to be set aside or submitting papers for administration changes (to change rulings)
- Debt management and engaging with relevant agencies, including utilities
- Financial capability assistance including personal budgeting support and assistance with regards to priority and non-priority debt.
- Negotiating and supporting repayment arrangements with creditors eg landlords; banks and building societies
- Identifying other issues that further increases the risk of homelessness eg mental health issues, substance mis-use, learning difficulties
- Income maximisation through reviewing benefit entitlement and engaging with relevant agencies. Housing Benefit and Child Tax Credits is common-place.
- Partnership working with other agencies such as Foodbanks, Social Services, Citizens Advice, Step Changes.
- Engage directly with private (and social) landlords to support tenants who have fallen into arrears. This forms part of the Council's 'landlord offer.'
- Post intervention monitoring and after-care, often with Housing Support
- Providing affordability checks in liaison Housing Options Officers when matching and re-housing applicants with accommodation placements to ensure sustainability.

Appendix 2

Financial Inclusion Service Activity & Performance

Activity	2015/16 (from May 15)	Q1 2016/17
Context of General Demand		
S.66 application determinations ¹	248	75
S.66 applications successfully prevented	182	25
S.73 applications determinations ² -	95	33
S.73 applications successfully relieved (eg similar to prevention)		10
Financial Inclusion Performance		
Money Advice Referrals. Includes:	102	33
<ul style="list-style-type: none"> • Housing Association • DWP Universal Credit • Home Improvement Loans 	10 5 2	5 4 0
Cases carried forward	-	20
Referrals relating to debt	52	10
Cases completed	87	19
Cases prevented from homelessness (Facilitating to remain at address or finding alternative accommodation)	45*	11*
Overview of interventions:		
DWP applications	36	17
HB or CT benefit	34	10
Foodbank	10	1
Charities	14	6
DHP applications	15	6
Discretionary Assistance	3	0
Utility assistance eg water assist	17	2
No. of cases referred back to Housing Options eg unable to assist	8	2
UC DPA Budgeting Referrals	5	4
<i>Home Improvement Loan</i>	2	0
Applicant satisfaction level	87.5%	88.23%
Q1 Total income and payment secured	-	£94,445.00 +

¹Section 66 is the duty to prevent an applicant from becoming homeless

²Section 73 is the duty to secure accommodation for homeless applicants where the duty to prevent has been unsuccessful

**These statistics forms part of the performance of S66 applications successfully prevented and S.73 applications successfully relieved. The service continues to stay in touch with these applicants for a period after homeless prevented to provide a level of after-care and to support applicants with sustaining the solutions that have been facilitated.*

The impact of the service can be illustrated through the following case study

Case Study

An overview of a recent case study will be circulated on the day of the meeting in order to help maintain confidentiality.

Mr A needed to stop working and apply for Employment and Support Allowance due to a serious illness to a family member. Unfortunately he didn't qualify as he hadn't paid enough National Insurance Contributions. The result was being without an income for the first year and living off savings and family assistance, after the family illness. The household were in considerable debt.

This ESA advice that Mr A had received was incorrect, as he should have considered for Income based ESA. ESA was eventually awarded, but it was put in Mr A's name in error. At this point Social Services referred the family to Housing Options due to concerns that lack of income would cause homelessness due to not being able to pay the mortgage. Citizens Advice were involved with the case and a shared approach was agreed where Citizens Advice would continue to provide support in relation to ESA from the perspective of pursuing a benefits related complaint and applying for a backdated award.

It was found that Mr & Mrs A had Personal Independence Payment in place and Carers Allowance, as they had received assistance from a charity. However, Mr Mrs A hadn't been advised to apply for Child Tax Credits nor DWP Support for Mortgage Interest relief. Due to being incorrectly set up, ESA was subsequently stopped.

Income support with medical enhancements was facilitated which was backdated to when the ESA stopped and an application for Mortgage Interest support was made from the DWP, which was back dated. The Mortgage Company were informed that the DWP would be paying the Interest. After clarifying the Capital repayments, a standing order was set up with the bank to pay the mortgage. Although homelessness was prevented, the future sustainability was at risk. Mrs A used to manage the household money but was unable to due to her health. Mr A received on-going support and was assisted with his budgeting and the management of his benefits, which were paid into one account to pay the bills by Direct Debit. They had two other accounts, which any money left over was placed. Mr A had debts with two utilities and arrangements to pay were set up to solve these issues.

In addition an application was made on Mr A's behalf for a Blue Badge through the Council, arranged for Careline to install a Lifeline.

Support continues in relation to a debt with HMRC and liaising with Citizens Advice in respect of the ESA backdate.

The family were successfully prevented from becoming homeless and having their home re-possessed.