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# **HOUSING SCRUTINY PANEL**

# Tuesday, 26th September, 2023 at 7.00 pm in the Conference Room, Civic Centre, Silver Street, Enfield, EN1 3XA

# Membership:

Councillors: Kate Anolue (Chair), Josh Abey (Vice Chair), Nicki Adeleke, Lee Chamberlain, Adrian Grumi, Nelly Gyosheva, Tom O'Halloran and Eylem Yuruk

# AGENDA – PART 1

# 1. WELCOME & APOLOGIES

# 2. DECLARATIONS OF INTEREST

Members of the Council are invited to identify any disclosable pecuniary, other pecuniary or non-pecuniary interests relevant to the items on the agenda.

# 3. MINUTES OF THE PREVIOUS MEETING

To agree the minutes of the meeting held on 22 March 2023.

# 4. TEMPORARY ACCOMMODATION

To receive the report of Richard Sorensen, Head of the Housing Advisory Service.

# 5. DATES OF FUTURE MEETINGS

To note the dates of future meetings as follows:

Tuesday 12<sup>th</sup> December 2023 Wednesday 21<sup>st</sup> February 2024

# HOUSING SCRUTINY PANEL - 22.3.2023

# MINUTES OF THE MEETING OF THE HOUSING SCRUTINY PANEL HELD ON WEDNESDAY, 22ND MARCH, 2023

**MEMBERS:** Councillors Maria Alexandrou, Lee Chamberlain, Josh Abey, Ayten Guzel (Associate Cabinet Member (Non-geographical)), Nelly Gyosheva, Tom O'Halloran and Eylem Yuruk

**Officers:** Joanne Drew (Director of Housing & Regeneration), Kayt Wilson (Head of Private Housing Solutions), Eloise Shepherd (Housing Management Programme Director), Richard Sorensen (Head of Housing Advisory Service) Malcom Dabbs (Street Homelessness Service Manager), Stacey Gilmour (Governance Officer)

**Also Attending:** Councillor George Savva, (Cabinet Member for Social Housing), Simon Allin, (Local Press Reporter)

# 1. WELCOME & APOLOGIES

The Chair welcomed everyone to the meeting and introductions were made.

Apologies for absence were received from Cllr Hivran Dalkaya who was substituted by Cllr Eylem Yuruk.

# 2. DECLARATIONS OF INTEREST

Cllr Maria Alexandrou (Chair) declared a non-pecuniary interest in all agenda items as she is a landlord in the borough.

# 3. MINUTES OF THE PREVIOUS MEETING

With an amendment at 4.10 to record Cllr Cetinkaya's question regarding the use of prefabricated houses, the minutes of the meeting held on 29 November 2022 were agreed.

# 4. HOUSING GATEWAY LTD - UPDATE

RECEIVED the report updating the panel on the performance of Housing Gateway Ltd.

# NOTED:

- 1. The introduction from Cllr George Savva, Cabinet Member for Social Housing.
- 2. Kayt Wilson, (Head of Private Housing Solutions) highlighted key issues and advised that the council owned property company Housing Gateway Ltd was buying up homes and renting them out to people who

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would otherwise be placed in temporary accommodation with cost avoidance of up to £30,000 per household per year.

- 3. Since it was set up in 2014 Housing Gateway Ltd (HGL) had built up a portfolio of 648 properties generating cost avoidance of around £13.2 million to date. However, acquisitions had stalled this year following a hike in interest rates with the company buying just 34 properties against a target of 70.
- 4. HGL's ethical lettings agency, Enfield Let continues to promote ethical lettings in the Borough, tackling social injustice and ensuring residents are not discriminated against because of their financial status or credit history.
- 5. Enfield Let leases properties from private landlords in the Borough, offering leases of 3-5 years. Landlords are offered guaranteed rent, paid monthly in advance and a full management service.
- 6. Enfield Let has grown a portfolio of 248 leased properties since October 2020, providing quality homes in the private rented sector for families who would otherwise be placed in temporary accommodation.
- 7. Enfield Let has been asked to collaborate with the Council to manage some or all of the Council's temporary accommodation stock, delivering significant savings to the Council. This workstream will be the primary focus for Enfield Let in 2023/24
- HGL, in collaboration with the Council, was successful in securing a £6.7m capital grant from the GLA to support the Rough Sleeping Accommodation Programme (RSAP). The grant funding facilitated the purchase of 77 bed spaces (61 properties), by purchasing a mix of studios and 1 bed and 2 bed accommodation. All properties have been purchased, meeting the 31<sup>st</sup> March deadline.
- 9. In response to a question regarding the security of the tenures and the support that will be offered, officers advised that the 61 properties purchased have already served to house 90 tenants who were previously sleeping rough, and the properties will remain available to house ex-rough sleepers for 30 years. However, it is determined as interim accommodation, with a view to each tenancy being 2-3 years, but this will very much depend on the needs of the individual. The exrough sleepers are fully supported in the accommodation by Council provided services.
- 10. In response to Cllr Guzel's question regarding an HGL internal transfer system as well as an upsizing and downsizing system, officers confirmed that this was in hand and currently in draft form and being circulated internally for comment.
- 11. In response to a question from Cllr Chamberlain regarding Landlord Standards Inspections, Officers confirmed that all inspections are tracked, and this information is readily available.
- 12. Cllr Chamberlain also referred to paragraph 5 of the report and sought clarification on this. Officers advised that HGL is one of the most well-established local Housing Companies and has been funded to build its current portfolio. This has been achieved by the council lending to the company and the company then paying the debt and capital back.
- 13. In response to Cllr Abey's question regarding future purchasing of properties, officers advised that HGL has a clear vision, and this is to

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deliver demonstrably, good quality housing for residents through a variety of products suitable for residents on low to medium income levels. The aim is to deliver increased housing supply to the Council over three years from 2022, with at least an additional 270 units by 2025.

- 14. Cllr Guzel raised concerns regarding residents who would not be able to afford private rented accommodation and sought clarity on the Council's strategy to address this. Officers confirmed that rents would need to be kept at affordable levels and would also not be transferring anybody to accommodation that would disadvantage them financially.
- 15. With regards to the 648-core portfolio of HGL, Cllr Halloran asked what the typical term of tenancy is for these properties and where do residents move on to. It was noted that this varies in terms of tenure length, as people generally move on due to a change in circumstances, for example, moving into permanent council housing, relocating out of the area, buying a property or finding larger accommodation, so in general it's a change in family circumstance that would take them out of the existing property.
- 16. In response to Members' questions as to whether the council have made representation to central Government regarding the LHA policy, Joanne Drew advised that they had written directly to the Government in terms of Enfield's situation as it is recognised that Enfield has one of the most pressing homelessness situations in London. Enfield also work closely with London Councils as there is an issue across the whole of London, so joint up work has taken place to lobby the Government on the LHA rates as this is something that will benefit all London Boroughs.
- 17. In response to the Chair's question as to the type of properties the council purchase, officers advised that it is a mixed portfolio, ranging from 1-bedroom to 4-bedroom properties and it is very much dependent on what the council's need is. It was agreed that a breakdown of the property types be circulated to Members of the Panel.

# **Action: Kayt Wilson**

# 5. STRATEGY TO REDUCE TEMPORARY ACCOMMODATION & EMPTY HOMES

RECEIVED the report updating the Panel on the strategy to reduce Temporary Accommodation and Empty Homes in Enfield.

# NOTED

1. Eloise Shepherd (Housing Transformation Programme Director) said that following discussion at the November Housing Scrutiny Panel meeting regarding reconsidering modular supply as a potential partial solution to increasing homelessness, the report provides an overview of other schemes and issues for LBE in consideration of the possibility.

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- 2. The last viability review was conducted in 2019, and since then the market for modular homes and the delivery environment for development has shifted in a variety of ways.
- 3. Enfield Council is now considering using modular homes buildings that are manufactured quickly and affordably off site – as a way of relieving homelessness in the borough. The review has now commenced, and Eloise took Members through the presentation which detailed some key considerations at play and work undertaken by other boroughs.
- 4. Eight sites are being considered for viability assessments. They would need to be available post completion for 5-10 years (ideally 7+) and fit 25-50 units and other principles for assessment included limited site clearance, no leasehold interests to resolve and the availability of parking/play nearby or sufficient room to provide onsite.
- 5. In response to a question from Cllr Abey regarding the location of the eight sites being considered, Eloise agreed to circulate this information to Members following the meeting. **Action: Eloise Shepherd**
- 6. In response to further questions regarding the cost for these units Officers advised that this is still being looked at as costs vary greatly.
- 7. Following the assessment of sites, a decision will then be made as to whether any of the proposals are viable and stack up financially, after which there will be a procurement process and a full planning application to progress. Therefore, starts on sites would be unlikely until 2024.
- 8. The report further summarised the increasing homelessness pressures across London and provided and update on the progress of the Empty Homes Strategy, which is another supply initiative to reduce homelessness demand.
- Officers highlighted further key issues, and the success of the Housing Advisory Service with focus on prevention of households moving into temporary accommodation. Shortage of supply of privately rented properties and a rise in rent levels had led to increased pressure on the service.
- 10. In response to Members' enquiries, Richard Sorensen, Head of the Housing Advisory Service said that there had been a surge in the number of landlords who lease homes to the council asking for their properties to be returned to them, therefore the council had renegotiated with landlords to lease their properties at a higher rate. Joanne Drew, Director, Housing & Regeneration advised that for landlords who want to stay in the market, the council offers a range of different solutions to support them and, although it is a challenging market, the council is a very safe place for landlords if they want to continue renting their homes.
- 11. Richard added that over the past two years there had been a 90% decrease in the supply of affordable private rented accommodation in Enfield, and this was still on a downward trend in the market. He further explained that this is driven by landlords exiting the market. People are selling and for the first time since the post-war period, the private sector is shrinking. This has led to higher rents being charged for the remaining homes and a surge in evictions.
- 12. Under further questioning from Members, Richard said Enfield was competing against other local authorities and the Home Office to procure

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temporary accommodation in the borough, which was also pushing up costs.

- 13. In response to further discussions, Officers clarified that landlords were exiting the market and their properties were being bought by first time buyers. This was having a knock-on impact on low-income households dependent on the private rented sector. The use of residential properties across Enfield had been researched. Around 3,000 privately-owned empty homes had been identified, and promotions sent to the home-owners offering support as landlords, to bring homes back into use. 41 properties had been brought back into use so far.
- 14. In response to questions from the Chair and Cllr Gyosheva regarding empty homes, Officers advised that investigations are ongoing into the reasons for the overall significant reduction which is thought to be down to increase in the resolution of probate cases and the disincentive arising from Council tax policy which impacts on empty homes.
- 15. Although a factor, Officers did not consider that Enfield's landlord registration scheme had been the main cause of landlords exiting the market, as the cost was low in comparison to other changes at the national level in respect of tax, rent reform, and energy efficiency requirements.
- 16. In response to Members' concerns, it was advised that original aims in respect of temporary accommodation use had to be re-looked at in the present circumstances, but that use of temporary accommodation should be seen as a stop-gap and should not be long term.

# 6. PREVENTING HOMELESSNESS & ROUGH SLEEPING- UPDATE ON THE STRATEGY

Richard Sorensen, Head of the Housing Advisory Service presented the report highlighting the following:

- 1. In 2020 Enfield Council published its Preventing Homelessness and Rough Sleeping Strategy. This outlined and ambitious plan to end homelessness and rough sleeping in the borough.
- In October 2020, the Council launched the Housing Advisory Service (HAS) to meet the challenges set out in the Preventing Homelessness and Rough Sleeping Strategy. This brought together all of the services offered to homeless households and expanded prevention activities.
- 3. Three years into the strategy a review has now taken place and the report details the progress made covering each of the key workstreams.
- 4. The impact of the new service and its new focus on prevention was immediate. Despite a consistent rise in the number of households approaching the Council for help, the number of households needing emergency housing has been dramatically reduced. In October 2019, 38% of households approaching the Council were going straight into temporary accommodation. By October 2022, this figure had dropped to just over 6%.
- 5. This focus on prevention has meant developing a new way of working both across departmental boundaries but also externally with other agencies. The Housing Advisory Service has staff collated within a wide variety of

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partner organisations including job centres, courts, probation, and Children & Family Services.

- 6. In terms of treating people with empathy, dignity, and respect there are a range of different solutions and different ways of accessing services. When the strategy was initially implemented the Street Homelessness Service consisted of two members of staff. Since then, this service is fully funded through successful bids from external funding streams and grant raising activities and is now one of the largest and successful teams within the Housing Advisory Service, having taken rough sleeping from its initial high of 79 to 5, which is a remarkable achievement, especially at a time when rough sleeping is on the increase across the rest of London.
- 7. The council's Street Homelessness Service has found, visited, supported, and housed 840 rough sleepers in Enfield since April 2020. The latest government figures showed the number of rough sleepers in the borough fell by 48% between Autumn 2021 and Autumn 2022. This was the highest reduction in rough sleeping achieved in the UK and came despite a 34% increase across London as a whole.
- 8. The context within which the service operates has changed. The strategy was drawn up pre-covid and since then there has pretty much been a collapse in affordable and private rented sector housing and the supply of accommodation over the past two years which is affordable in Enfield has decreased by approximately 90% with an 84% drop in sully since April last year and this has impacted on the ability to secure longer term homes in the borough.
- 9. Enfield council's focus on prevention has meant that there has not been a sharp rise in the number of households in temporary accommodation compared which the national picture which shows a sharp rise in the period to the end of September 2022, which is the latest data available. Richard added however that there will come a point when these efforts run dry, and the figures will start to climb unless an alternative source of accommodation can be found.
- 10. In response to a question from Cllr Guzel regarding how families who are served a Section 21 eviction notice can make themselves known to the HAS for support and guidance, Richard advised that contact can me made either by email or phone, details of which are available on the council website. There are also some suggested email headings for people to use to enable the service to then make an initial assessment as to how urgent the case is. Contact will be made within 24 hours of receipt of the email and, depending on the severity of the case, this response time may even be quicker. Richard agreed to send the email link to Cllr Guzel. Action: Richard Sorensen
- 11. In response to a further question from Cllr Guzel regarding an online direct referral form, it was advised that the website is in the process of being revamped and this will include an online referral form and it was hoped that this would be launched in early April.
- 12. Further information was provided on the new inhouse IT system called Housing Jigsaw, which is a much better case management system which can also be made available to residents when a case is ongoing, which will allow them access to the system to upload documents, contact their case worker and provide an audit trail on each individual case.

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- 13. In response to ClIr Chamberlain's question regarding how the council identify and track rough sleepers, Malcom Dabbs, Street Homelessness Service Manager explained that there are two ways of obtaining this intelligence. The first is by working closely with partnerships such as the police, parks and cemeteries and social services as this provides a good network for sharing information. And secondly Street Link, which is a website, mobile phone app and telephone service through which people can take positive action when they see someone sleeping rough by sending an alert that connects that person to local outreach services for support.
- 14. Following further questions from Members regarding the main barriers to taking rough sleepers off the streets, Malcom advised that not all rough sleepers are willing to accept offers of accommodation and help and often linked to this are complex immigration status, trust issues with authorities as well as mental health issues.
- 15. Officers provided information on Beam, an online platform that crowdfunds for homeless people and supports them into stable work. In 2020, Enfield council launched a new partnership with Beam. This was to assist residents to access training and employment opportunities. This partnership has grown from an initial pilot and now covers the full journey from training to employment and moving out of temporary accommodation.
- 16. In response to ClIr Abey's question regarding what demands could be made to Central Government to try and alleviate some of the pressures outlines in the report, Officers said that the whole system needs to be looked at, modernised, streamlined, and made fit for purpose. A rise in housing allowance is long overdue as is the need for higher grants. Increasing the pace of housing supply would always be a key ask too.

# 7. DRAFT COUNCIL HOUSING ASSURANCE FRAMEWORK

Joanne Drew (Director of Housing & Regeneration) introduced the report setting out the proposed Assurance Framework to support the Council Housing Service in preparation for the Social Housing Regulation Bill. This paper was approved by Cabinet in February 2023 and ensures that there is transparency over performance.

New legislation was introduced following the Grenfell tragedy, with a focus on how social housing was managed and maintained. Consumer standards were introduced by the Housing and Regeneration Act 2008. The importance of continued engagement with residents was highlighted, and that the Council would be working alongside residents to make improvements to the service to meet their needs. The impacts of government policy on council housing were noted. There would be Cabinet performance reporting on the Assurance Framework, and an annual report to tenants outlining performance.

The Panel noted the report.

#### 8. WORK PROGRAMME 2022/2023

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This was the last meeting of the municipal year, and the work programme was now completed.

Members were thanked for their participation on the Panel during this municipal year.

# 9. DATES OF FUTURE MEETINGS

This was the last meeting of the municipal year. Meeting dates for 2023/24 would be approved at Annual Council on 10 May.

The meeting ended at Time Not Specified.





# London Borough of Enfield

Report Title	Temporary Accommodation
Report to	Housing Scrutiny committee
Date of Meeting	26 September 2023
Cabinet Member	Cllr Savva, Cabinet Member for Social Housing
<b>Executive Director</b>	Joanne Drew, Strategic Director for Housing and
/ Director	Regeneration
Report Author	Richard Sorensen (richard.sorensen@enfield.gov.uk)
Ward(s) affected	
Classification	Part 1 Public
Reason for	N/A
exemption	

# Purpose of Report

- 1. To update the Housing Scrutiny Panel on the Councils role in homelessness and the provision of temporary accommodation including progress since implementing the new Placement Policy in June 2023.
- 2. To seek views of the Panel on any further changes required to our approach which may form, if required, a further report to Cabinet.

# Main Considerations for the Panel

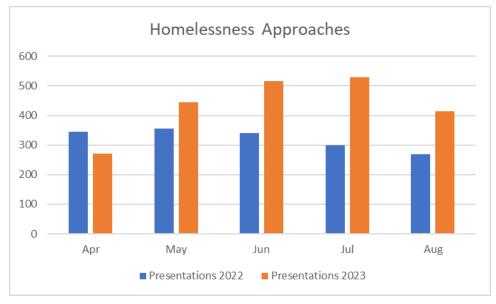
- 3. The housing crisis continues to escalate. Details of the impact of this on residents and the Council can be found in the June 2023 Cabinet report. This sought approval for a new Placement Policy for homeless households in response to the extreme shortage of affordable accommodation across London and southeast England.
- 4. The shortage of affordable accommodation has led to an increase in the number of households needing assistance and the service being dependent on the use of hotel accommodation. This in turn means that the cost of temporary accommodation has escalated to unsustainable levels. The

service is currently projecting an overspend of approximately £18m for 2023-24 in addition to the net deficit in the base budget of £6m.

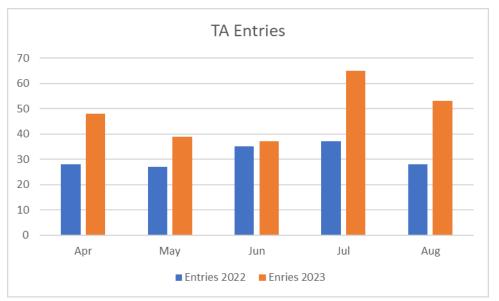
5. This paper is a review of progress in addressing these pressures and the implementation of the new Placement Policy, covering each of the key workstreams.

# Managing demand

6. The number of households approaching the Council for assistance remains high in comparison with previous years.



7. The increased demand has meant that more households have been accommodated. Because of the dependency on hotel accommodation, each household entering temporary accommodation represents a potential cost to the Council of £54,000 without action.



8. The service has taken a number of steps to reduce the numbers of households entering temporary accommodation, which because of the short supply, is hotel accommodation which is unsuitable for families. This includes:

- Reviewing the strength of our homelessness prevention offer
- Moving to a statutory service model
- Management sign-off on all new placements
- Daily review meetings for all new placements
- Changes to the out of hours process

# Placements to areas where LHA and rents are more closely aligned

The revised approach has seen successful placements in PRS discharging our duty to 150 households as at August. This has included to 12 households relocating outside the southeast. Locations include such as Basingstoke, Leeds and Manchester. The service needs to increase the rate of such placements given the severe shortage of accommodation in North London and we are working towards moving residents who are at risk of homelessness straight to PRS avoiding the use of temporary accommodation wherever we can.

A budget of £250k has been allocated to support residents with the costs of relocation in addition to the costs of incentives, deposits and rent in advance.

# **Strengthening Our Casework**

- 9. The service is currently working to our Business Continuity Plan, recognising the severity of the current crisis. Staff have been aligned with new project teams based on the skill sets of the staff concerned.
- 10. A new management team has been recruited to strengthen the approach.

11. Key areas of focus include:

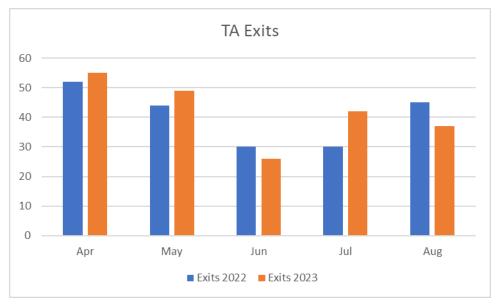
- Strengthening decision making
- Cessation of Duty
- Quality of casework
- Customer service with the provision of a caseworker contactable by phone and by appointment on a face-to-face basis
- Housing supply

The level of demand at present and the operational changes involved in implementing the new model means that we focus on the highest need residents in their homelessness journey. It is a priority for the service to manage demand so that focus can also be deployed on early-stage prevention activity and offering face to face assessments where needed for more vulnerable households.

# Increasing Supply

12. We need to increase the supply of affordable accommodation to over 100 homes per month to both meet current demand and reduce the overall numbers in temporary accommodation. Proposals for an Accommodation Strategy have been submitted to Cabinet in September.

- 13. In addition, we have onboarded new partners to deliver out of London private rented placements including:
  - Reloc8
  - Cedar
  - Oakwood
  - Help to Rent
- 14. We are leasing blocks through Housing Gateway to deliver a large number of properties quickly to eliminate the use of hotels. These include:
  - Luton (103 units in November)
  - Milton Keynes (27 units in October)
  - Enfield (27 units in September)
- 15. We are currently in the process of recruiting and onboarding additional procurement staff to further increase our supply of accommodation.
- 16. These approaches have enabled us to stabilise the number of households in hotel accommodation. The additional pipeline supply is intended to ensure a dramatic reduction in the number of households in hotel accommodation over the next three months.



17. We have secured 150 homes for homeless households in the first five months of this financial year. The challenge is to increase this to 100 homes per month.

# **Containing Costs**

18. There is upward pressure on the cost of traditional temporary accommodation. The decision by London Housing Directors to increase the agreed pan London rates for temporary accommodation by 10% was necessary to retain our existing stock. However, this also added an additional budget pressure.

- 19. To ensure that we are better able to contain costs going forwards, we have reviewed our rates for temporary accommodation for different types of arrangement. The rate for nightly paid accommodation has been increased by 5%, whilst the rate for PLA properties (on agreements of over two years) have received the full increase. This approach is intended to control costs as we expect the upward pressure on rates for temporary accommodation to continue. By entering into a longer-term agreement, the rate is set for the term of the lease.
- 20. The regulations for Housing Benefit also represent a major cost to the service. Temporary accommodation rents are set at Local Housing Allowance to ensure their affordability to residents. The Council administers Housing Benefit and reclaims the cost of this from central government. However, for households in temporary accommodation, the Council can only reclaim 90% of the 2011 rate of Local Housing Allowance. We anticipate this gap being approximately £10m for 2023-24.
- 21. To mitigate this, we are proposing to transfer our temporary accommodation portfolio to Housing Gateway. The effect of this is that residents' housing costs will be met through Universal Credit rather than Housing Benefit. Whilst there are additional management costs involved, we anticipate that this will generate approximately £5m of savings per annum.

# **Relevance to Council Plans and Strategies**

Good homes in well-connected neighbourhoods

22. In seeking to drive up the quality and availability of properties in the private rented sector, the proposal will increase the number and quality of homes available to low-income households in the borough.

Sustain strong and healthy communities

23. Poor quality housing and homelessness have been identified as key factors in health inequality. Through reducing the number of households reaching crisis point and increasing the supply and quality of rented homes we will help to reduce the impact of homelessness and poor housing on the health and wellbeing of our residents.

Build our local economy to create a thriving place

24. We aim to ensure a thriving, high quality private rented sector that is accessible to low-income households. By acting proactively to engage with and support landlords we aim to increase the supply of rented homes.

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# Appendices

N/A

**Background Papers** 

Cabinet Report: Homelessness in Enfield (5) – Housing residents where accommodation is affordable.