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How to avoid the use of B&B

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How to avoid the use of B&B

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FEEDBACK AND SUGGESTIONS:
Feedback and suggestions on our toolkits are always welcome. Please email these to support@npsservice.org.uk or telephone 01962 851 74
The Context

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

Section 206 (1) of Part VII of the Housing Act 1996 requires that, when discharging a duty to secure that accommodation is available for an applicant who is homeless, or threatened with homelessness, a local housing authority must ensure that the accommodation is suitable. The Act provides no definition of suitability but, since 1996, the Government has issued 3 statutory instruments which help to define suitability, and are known as Suitability Orders:

- The Homelessness (Suitability of Accommodation) Order 1996 (S.I. 1996/3204), which covers affordability
- The Homelessness (Suitability of Accommodation) Order 2012 (S.I. 2012/2601), which covers location and the condition & management of Private Rented Sector Offers (PRSOs).

A statutory target for B&B

The 2003 Suitability Order came into force on 1st April 2004; the date that the Government set as a target for all local authorities (LAs) to stop using B&B for families with dependent children or pregnant women, unless it was an emergency and then for a maximum of 6 weeks. The Government had provided significant funding to LAs to prevent homelessness and to help achieve this had changed the TA subsidy rules to make leasing more attractive. LAs that were funded were tasked with developing B&B reduction plans, which were monitored by DCLG. The 2003 Order made the B&B target statutory.

Who does the order apply to?

The Order applies to people with family commitments. This means either applicants who are pregnant or with whom a pregnant woman or a dependent child or children reside, or might reasonably be expected to reside. The order defines B&B accommodation as not suitable to these applicants and defines B&B accommodation as accommodation which, whether or not breakfast is provided, is not self-contained or involves sharing either a toilet, personal washing facilities (shower or bath) or cooking facilities with another household.
Exceptions

Article 3 of the 2003 Suitability Order provides that, where accommodation is provided is not to be regarded as suitable, subject to the exceptions contained in Article 4. Article 4 provides that if there is no accommodation, other than B&B accommodation available for their occupation, the local housing authority may house such an applicant in B&B accommodation, but only for a period or total of periods not exceeding six weeks.

(a) For families referred by another LA under s.198-200 of the Housing Act 1996, the 6 week period starts when the LA becomes subject to the duty under s193 by virtue of section 200(4) (1) The Local Government Ombudsman

Homeless applicants with ‘family commitments’ can seek a judicial review for a LA to move them out of B & B after 6 weeks, but a more common form of redress is by complaint to the Local Government Ombudsman.

In October 2013, the LGO issued a report “No Place Like Home: Councils’ use of unsuitable bed & breakfast accommodation for homeless families and young people.” This was a focus report which aimed to share with LAs lessons learnt from complaints dealt with by the LGO in relation to B&B placements.

The Ombudsman found fault where councils:

- Placed families in bed and breakfast accommodation when alternatives were available (e.g. suitable accommodation or mediation services).
- Placed young people in bed and breakfast accommodation, and did not make referrals to children’s services.
- Failed to take a flexible approach to moving families out of bed and breakfast accommodation.
- Could not demonstrate a genuine and sustained effort to move families out of bed and breakfast accommodation.
- Had used bed and breakfast to house significant numbers of families and young people for longer than six weeks, even when there was a plan for tackling the problem.

The report highlighted a number of case studies of complainants and the impacts on the families and young people. It also identified a number of recommendations based on the Gold Standard Challenge Criteria and examples of good practice, and
suggested that LAs should have a range of targeted and co-ordinated measures to prevent homelessness arising, including:

- Discussions with the applicant about alternatives to bed and breakfast from the outset
- Arrangements in place for co-operation between homelessness services and children’s services in all cases involving families and young people
- Where use of bed and breakfast is unavoidable, notification to applicants that the law says it is unsuitable and that the council must secure alternative suitable accommodation within six weeks
- Systems to prioritise the sourcing of alternative suitable accommodation for families in bed and breakfast within six weeks of placement
- Clear records of what has been done in individual cases to source alternative suitable accommodation
- Where there are families in bed and breakfast more than six weeks, councils should have a strategy in place to tackle the problem within a reasonable timescale
- Members should be regularly informed of the council’s performance regarding placement of families and young people in bed and breakfast accommodation.

The LGO has continued to investigate complaints from homeless households who have been in B&B for more than 6 weeks and, where appropriate, recommend compensation payments to complainants where it feels LAs have erred in their statutory responsibilities.

### 16/17 year olds

For the purpose of homelessness assessments 16 and 17 year olds should be considered to be children. In April 2010, Department for Communities and Local Government (DCLG) and the then Department for Children Schools and Families (DCFS) issued joint guidance to children’s services authorities and local housing authorities about their duties under Part 3 of the Children Act 1989 and Part 7 of the Housing Act 1996 to secure or provide accommodation for homeless 16 and 17 year old young people. This came after the cases of R (G) v Southwark [2009] UKHL 26 and R (M) v Hammersmith and Fulham [2008] UKHL 14. Two cases which restated and clarified the established legal position that the duty under section 20 of the 1989 Act takes precedence over the duties in the 1996 Act in providing for children in need who require accommodation. The specific duty owed under section 20 of the 1989 Act takes precedence over the general duty owed to children in need and their families under section 17 of the 1989 Act.
The guidance states that “accommodation must be suitable for a 16 & 17 year old and, in considering suitability, authorities should bear in mind that 16 and 17 year olds who are homeless and estranged from their family will be particularly vulnerable and in need of support. The Secretary of State considers that Bed and Breakfast accommodation is unsuitable for 16 and 17 year olds”.

The guidance also covered joint working and protocols and can be found here:


The Gold Standard

The Gold Standard emerged from the 2nd Ministerial Working Group report, ‘Making Every Contact Count’, which was published on 16th August 2012.

http://www.communities.gov.uk/publications/housing/makingeverycontactcount

The Gold Standard is a voluntary scheme and sets out 10 local challenges for authorities to achieve which cover all element of a prevention focused service and if implemented will prevent the need to use B&B. Each challenge has a clear criteria which can be found on the NPSS website www.practitionersupport.org that can be used as a checklist to achieve the challenges and not using B&B is a key element.

The National Practitioner Support Serviced is funded by the DCLG to provide support to LAs who pledge to continuously improve their housing options services. The support includes providing operational training, advice and guidance on how to carry out diagnostic peer reviews, checklists and good practice examples to improve front line service delivery, making applications for the 10 Gold Standard challenges and ultimately having a front line prevention service that eliminates the need to use B&B for families and young people. Examples of the good practice coming from authorities that have achieved the challenges and authorities that have peer reviewed each other can be found on the NPSS website.

DCLG Funding

DCLG currently provides all 326 local authorities with an annual homelessness grant provision to support authorities with the prevention of homelessness. Other one off funding streams have also been made available to local authorities to support this approach including through cluster groups and single homelessness groupings.

Examples of the working practices that have come out of some of the funding can be found on the NPSS website in the ‘working examples’ section.

In 2013, the DCLG provided funding to 7 local authorities to help them reduce the use of B&B for families, Birmingham, Hounslow, Croydon, Westminster, Crawley, Barking and Dagenham and Redbridge. Only LAs with more than 10 families in B&B for more
than 6 weeks on 31st March 2013 were eligible to bid for funding. To receive the full funding, LAs were tasked with reducing their numbers by three quarters by 31st December 2013. All LAs who participated completed a feedback pro-forma for DCLG in February 2014 to capture the lessons learned and provide feedback on what had worked well and what not so well. These lessons are incorporated into this toolkit.

**Supply & Demand:**

| Reasons identified by funded authorities for why households were being placed in B&B |

The 7 LAs who received funding from DCLG to help them reduce the use of B&B for families identified the reasons for the increase in the use of B&B as a combination of increasing demand and decreasing supply.

In respect of increasing demand, Croydon stated that they had experienced lower earnings and higher levels of mortgage & landlord possession actions. In Hounslow, demand reportedly increased due to more assured shorthold tenancies (ASTs) ending. Hounslow stated that believed this was due to landlords’ nervousness regarding welfare reform, changes to Local Housing Allowance (LHA) rates and the widening gap between LHA & market rents.

In relation to supply, particularly in London, PRS supply has become increasingly limited and boroughs such as Croydon & Westminster indicated that they struggled to find suitable options. Economic slowdown & welfare reform deterred landlords from offering PRS accommodation to LAs or benefit recipients; they were also concerned about the implications of direct payment of Housing Benefit (HB) & Universal Credit (UC) to tenants. Barking & Dagenham and Hounslow both raised concern in relation to other boroughs paying higher incentives to procure privately rented properties in their borough which in turn reduced their own supply. Westminster mentioned that they could not secure enough properties under the TA subsidy regime.


Birmingham reported lack of availability of large properties and properties which were suitable for households with complex needs.

Some of these reasons are also reflected in other areas where B&B is being used. The rental market in London and in other areas of the South East is buoyant, as house prices have continued to rise, driving rents up. At the same time as market rents have increased in these areas, the link between Local Housing Allowance and market rents was broken by DWP, who also capped LHA and only increased it by 1% a year. This
has led to an increase in the gap between LHA and market rents, with a decreasing number of properties available at or below LHA. In turn, this has led to an increase in the number of evictions from ASTs as landlords seek higher rents elsewhere in the market; leading to increased homelessness and a reduction in the number of households LAs have been able to place directly into the PRS, either as a prevention offer or a Private Rented Sector Offer. London boroughs have significantly increased the level of incentives they pay to landlords to access the PRS, but this has not prevented the supply from falling sharply. The buoyant PRS market in London and other parts of the Country, including the South East, together with the DWP’s decision to break the link between LHA and market rents are the main causes of the increase in B&B use.

Temporary accommodation subsidy for leased TA is still based on 90% of the LHA as at January 201 plus a management fee of £40 for London boroughs and £60 for out of London LAs. Whilst DWP have accepted that there is a strong case for uprating TA subsidy so that it relates to current LHA, because of the Welfare Cap, they are unable to increase it without finding savings elsewhere. They propose to increase TA subsidy to current LHA plus a management fee of £45 once TA claimants move onto Universal Credit but advise that this will require primary legislation. Some London boroughs have found that TA subsidy is no longer high enough to enable them to cover their costs on Private Sector Leasing (PSL) schemes. Many providers have switched properties to nightly paid self-contained “annexes”, and have increased the rates, so that boroughs are paying well above the TA subsidy level. In order to try to maintain the supply of PSL, boroughs have started paying incentives to landlords and agents both for new supply and to retain stock by means of lease extensions. London boroughs are tackling the high nightly rates and have agreed the maximum rates they will pay in each borough. Boroughs are holding the line and some providers have reduced their rates but others have not, which has meant that some LAs have had to increase their use of B&B, hopefully as a short-term measure until the nightly rate providers reduce their rates. The P1E figures for 31st December 2014 and 31st March 2015 may be impacted by this exercise.

Evidence from the pilots suggests that landlords are concerned that the introduction of Universal Credit will mean higher rent arrears as tenants receive their Universal Credit monthly in arrears and so may not prioritise rental payments. This has been another factor in the increasing reluctance of landlords to let to households referred by LAs.

The LHA caps have had a huge impact in some places as landlords have had to reduce rents or evict families, once transitional HB or Discretionary Housing Payments (DHP) was used up.

The overall benefit cap has also had an impact on affordability for families in areas with high rents. Properties have become unaffordable for families with 3 or more
children who are subject to the overall benefit cap. Whilst DHP has been used in a lot of cases, and there has been evidence of good joint working with Job Centre Plus (JCP) to reduce the number of 'capped' families, this is another factor which has led to an increase in evictions and use of B&B for families, where private sector accommodation is not affordable.

How to avoid the use of B&B

The best way to avoid having any families in B&B for more than 6 weeks is not to use B&B for families or young people at all. Most LAs in the country, including some London boroughs don't use B&B. How have they achieved this?

Early Intervention & Prevention by Housing Options

The best way to avoid or limit the use of B&B is by early intervention and prevention by the Housing Options team and partner agencies. Your service should have a wide range of early intervention and homelessness prevention initiatives tailor-made to tackle the main causes of homelessness. The NPSS website has a number of documents available [www.practitionersupport.org](http://www.practitionersupport.org) - the Housing Options toolkit provides a wealth of material and the DPR toolkit enables groups of 3 or more LAs to review one another's housing options service against a common framework. In addition the 10 Gold Standard challenges include Local Challenge 3 - to offer a Housing Options prevention service, including written advice, to all clients.
The Housing Options Pathway is an effective model to use to prevent the use of B&B

**Housing Pathway:**

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<th>Minimising demand:</th>
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<td>How can you minimise demand?</td>
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<td>Consider how and where to reach your customers:</td>
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**Marketing your service:**
How are you ensuring your customers know where to come for advice?

**Website:**
Is your website promoting early intervention, partnership working and does it include self-help tools – Refer to check list on DPR tool

**Training:**
Are you providing updates and information to your wider staff colleagues, councillors and partners, to ensure they understand what services you are offering?

**Promotion:**
Are you ensuring customers are fully aware of the services you offer? Consider working in partnership with voluntary sector partners to gain access to free radio slots, leaflets and banners in partner organisations, display opening times/ surgeries/court desk provision/ email contact out of hours, use of social media.

**Understanding where your front line is:**
If customers are not coming to you, have you considered where else they might be approaching? Who are they telling first about their potential homelessness?

Maximise off-site facilities, surgeries in day centres, children centres, court desks, JCP, pop up shops, satellite services with advertised agreed visit times

Consider co-working venues where appropriate to capture all client needs in one visit; this could range from visiting large employees in your district with partners (JCP, HB, Health, EET providers, money advice) and running a surgery for those facing redundancy to providing a pop up shop in your town centre to promote early intervention with your partners.
Young People

Do you, or a local partner agency, deliver homelessness prevention education work in schools or other youth provision?

If yes, are you:

- Clear and confident about the messages that are being delivered to young people and their parents/teachers/youth workers? Are the messages up to date in light of recent changes e.g. welfare reform and new powers within the Localism Act 2011?
- Targeting specific schools/colleges/other youth provision?
- Collecting evidence of the impact of the work, in terms of both improving young people’s understanding of homelessness and options AND any reduction in presentations?

What family support and prevention programmes or services are commissioned locally, for example by Children’s Services or the Youth Offending Service, which may not have an obvious or intended link to preventing youth homelessness but are about keeping families together?

Is the support available to teenagers flexible enough to go beyond traditional service/age boundaries and follow young people beyond the ages of 16 or 17 if need be?

How aware do you think are other professionals who already work with families with teenagers, regarding the negative impact of homelessness amongst young people and the realities of housing options for young people?

NPSS have also produced a Guide to the Positive Youth Accommodation and Support Pathway in partnership with St Basils. – please see our website for link.

Do you have effective triage?

Your triage system should be effective in ensuring that households who are threatened with homelessness are not turned away, but receive a full housing options interview. This way, opportunities for early intervention and prevention are not missed.

You should have links with the courts and pre-eviction protocols with social landlords and lenders, so that you receive early notification about tenants who may be facing eviction, enabling you to intervene early to prevent homelessness by providing debt advice and assistance with rent and mortgage arrears.
When a tenant approaches due to s.21 notice, as well as your normal prevention, do you offer the landlord a package of incentives to prevent homelessness?

Reduce crisis presentations

*Early intervention targeted to sustain current accommodation where possible:*

- Service standards & staff support to ensure quality of service:
- Is there enough time for officers to be proactive?
- If you set yourselves up just to manage crises that’s what will happen.
- All clients should receive a baseline service that is meaningful.
- The Housing Options Service should be accessible to all customers (including home visits, outreach surgeries, comprehensive online advice and information including self-help tools)

Tailored options for different causes of homelessness:

*Prevention of parental evictions*
Consider the following:

- home visits
- linking to mediation
- restorative practice
- support with employment education & training
- money advice for wider household
- housing register referral
- prevention grant for bespoke cases

*Prevention of mortgage repossessions:*
Consider the following:

- ensure notification letters are reaching the appropriate team
- ensure advice is provided at court
- link applicants to appropriate money advice
- ensure all forbearance tools are explored
- link to NHAS housing debt and welfare advice service if resources/expertise required

*Homelessness due to domestic violence:*
Consider what support options are available. These might include:

- Sanctuary schemes, outreach, legal advice, money advice etc.
• consider what alternative provision/support is available for victims and, where appropriate, perpetrators.
• consider reciprocals, mutual exchange and transfer options

**Eviction from supported accommodation:**
Consider the following:

• what pathways are in place for clients (including bespoke pathways where appropriate)
• support options
• protocols on pre-eviction
• use of Acceptable Behaviour Contracts
• employment education & training options
• supported Housing Forum to ensure a consistent approach across services
• set up a bespoke task and targeting group where appropriate

**Eviction from Assured Shorthold tenancies:**
Consider the following:

• early notification from courts of possession cases
• court service
• tenancy Relations Officer service
• offer incentive package to landlords at s.21 stage
• use of Discretionary Housing Payments to top up rent
• use of prevention fund to cover arrears in appropriate cases

**Eviction from social housing:**
Consider the following:

• pre-eviction protocols
• good liaison between teams
• information sharing and working relationships with Registered Providers and ALMOs
• who provides tenancy sustainment
• money & debt advice, employment & training services

**Leaving an institution:**
Consider the following:

• hospital discharge protocols
• homelessness hospital discharge services
• prison release protocols
**Young People:**
Consider the following:

- are you currently doing any proactive planning to avoid crisis with young people at high risk of homelessness and their parents?
- If yes, is this happening routinely/systematically, or by chance?
- do you have a family group conferencing service or a family mediation service that could assist in the planning work with families?
- where are young people generally moving on to – extended family/friends, their own tenancies or to supported accommodation?

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**Housing Pathway: single integrated service:**

Working in partnership to provide a comprehensive frontline housing options service (prevention, assessment of need, advice and options preparation, access to other services)

- **Prevention** – Ensure the service has a prevention focus that continues to run alongside any statutory duty

- **Assessment of Need** – Ensure staff have the appropriate training and tools (manager support, guidance, appropriate forms, appropriate I.T, directory of services, facilities to conduct a private interview etc.) to undertake a comprehensive, relevant assessment of need for all client groups. This should include an understanding of the clients’ reason for approach (this may not be to make a homeless application, it could be for a range of alternative support). Please see customer reception, interview rooms, case files and shadowing interviews on DPR for further info.

- **Advice and options preparation** – Ensure appropriate legislative training and support is available to officers, to enable them to have full access to all advice and options available. Please see customer reception, interview rooms, case files and shadowing on DPR for further info.

- **Access to other services** – consider a staff and client version of a directory of services to ensure all services within the district are mapped and utilised. Consider how partner organisations share facilities and information to assist clients with a joined up service both for internal partners (e.g. Housing Benefit) and external partner (DWP, Health etc.). For example, co-location with Job Centre Plus.

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Supporting you to prevent homelessness
Ensure a comprehensive service is available to all clients – consider a spend to save argument (based on the Crisis access to the PRS for single households tool or the NPSS Value for Money tool) to show the benefits and cost savings of supporting non statutory single homeless households

Young People:

Looking at demand and preventions over the last 12 months (or whatever the most recent time period is you can easily report on):

- How many young people have presented to the local authority as homeless aged 16/17 and also within the 18 to 25 age group? Are there any significant changes in trends?

- How many young people were prevented from becoming homeless?

- How many 16/17 year olds were accommodated under Section 20?

- How many 16/17 year olds were accepted as homeless? How many care leavers? Are there any changes in trends?

- How many intentionally homelessness decisions were made?

- How many non-priority need 18-25s were offered options and advice to prevent homelessness?

- How are your services for 16/17 year olds organised? Where are young people presenting and what happens to them? Do you have a joint Children’s Services and Housing response or a single service response at the moment?

- Do you offer of advice, support and options to single young people aged 18 – 25 who are not priority need? Other than the differences based on legal duties, what differences are there in the types of services they might be offered?

Current prevention tools – a quick overview:

- Are staff doing home visits within 48 hours to families where there is imminent/actual homelessness?

- Do you have quick access to a mediation/restorative/family group conference (FGC) service and does it deliver positive results for families? What percentage of cases are deemed successful and what is the measure of success? How is the assessment process working?
between Housing and Children’s Services for 16/17 year olds? Is it seamless and easy to navigate for the customer?

- Are front-line housing homelessness prevention staff and Children’s Services staff trained up in mediation skills?
- Can you easily access prevention funds if needed (e.g. Section 17 funds, homelessness prevention funds or Discretionary Housing Payments) on a short term basis, to support young people to stay in the family home or with extended family or friends?
- Is there any floating support/youth worker capacity available to support keeping young people at home or with extended family?
- Do you have access to suitable emergency accommodation? If yes, what sort and how does it work?
- If you are using B&B, is this the only option you have in an emergency? If yes, how many young people have been placed in B&B over the last year and under which duty? How long are they in B&B for on average?
- Is assessment and mediation work continuing once a young person is placed in emergency accommodation to try to return them home or to a family member/friend?
- Can young people get advice, support and help to access accommodation in the Private Rented Sector (PRS) if that is a suitable option for them?

Structured housing options interviews

Local authorities who have successfully adopted an early intervention and prevention model to prevent the use of B&B include Stockport, Hart and Winchester. In inner London, Greenwich & Camden have been successful with this approach and have minimised the use of B&B and avoided placing families over 6 weeks, despite facing high demand and a buoyant PRS market. Winchester introduced a triage system, which ensured that people threatened with homelessness were seen straightaway. This enabled them to use early intervention and prevention to stop the use of B&B

Housing Allocations Policy and PRSOs

Your housing allocations policy should not encourage people to make a homeless application and go into TA. Make sure it is legal and that you are giving homeless people in TA a reasonable preference (note the recent case of R (on the application

Supporting you to prevent homelessness
of Jakimaviciute) v Hammersmith and Fulham LBC [2014]
http://www.bailii.org/ew/cases/EWCA/Civ/2014/1438.html but a reasonable preference does not mean they have to have a high priority.

Camden introduced prevention points for households accepting a PRS prevention offer well before the Localism Act gave LAs more freedom to do this. Camden also developed the hostels pathway and retained their hostels. Despite being a central London borough their TA numbers have been low for years and they don’t use B&B for families.

The Localism Act allows LAs to discharge their homelessness duty through making a Private Rented Sector Offer, which, subject to availability, can reduce the numbers going into TA. Use of PRSOs combined with an allocations policy that does not encourage homeless applications and a focus on prevention and early intervention is an effective way of managing TA numbers.

You may have families in TA to whom you are unable to offer a PRSO, either because they pre-date the Localism Act or because there is of a lack of available PRS accommodation. If this applies, you may need to have the ability to make direct offers of social housing outside of your Choice based lettings scheme to homeless households who have been in temporary accommodation for a long time. This will help to ensure that they move on and free up temporary accommodation for families in B&B.

Hart reviewed their allocations policy so that making a homeless application and going into temporary accommodation does not guarantee a social housing offer. They have been successful in not using of B&B accommodation by early intervention and prevention and, where they are unable to prevent homelessness, lining up a PRSO before the household become homeless. They are able to make direct offers of social housing to families who have been in TA for a long time.

Part VII Assessments

Where prevention is not successful, it is crucial that the Part VII assessment is carried out quickly so that alternatives to B&B can be considered and indentified before there is a need for interim accommodation. Hart are able to offer PRSOs to most families before interim accommodation is required when they are unable to prevent homelessness.
4. How to Reduce & Eradicate the Use of B&B

**Modelling Supply & Demand**

If you have families in B&B then you need to develop additional sources of supply to reduce your reliance on B&B. You should model your supply and demand for TA, so that you know how many units of self-contained accommodation of each size and location you will need. You should then develop a procurement strategy to ensure that you procure enough accommodation to avoid the use of B&B. Southwark has developed such a model, which can be found on the NPSS website.

**Corporate Commitment**

Corporate commitment to reduce the use of B&B is key to success in this area, as investment is usually required up-front to access new sources of supply (spend to save).

To raise the priority of homelessness within the authority, Croydon established monthly meetings with their CEO & weekly meetings with their Deputy CEO. This proved vital in ensuring investment in order to increase accommodation supply. Westminster had very high corporate buy-in of their temporary accommodation (TA) strategy & response, including weekly meetings with the Council Leader & CE during 2013. Hounslow had fortnightly TA Mitigation meetings, with AD & Finance. The corporate Leadership Team & Lead Member were regularly updated on supply & demand and understood any reasons for TA overspend.

In order to meet Local Challenge 10, LAs should have a clear strategic commitment to limit the use of B&B for families with children linked to a ‘spend to save’ argument which supports resourcing the local prevention model. They also need to demonstrate senior officer and political commitment to reducing the use of B&B. This also links to Local Challenge 1: *To adopt a corporate commitment to prevent homelessness which has buy in across all local authority services.*

**Cost-benefit analysis**

Comparing the costs of B&B, including where costs are in excess of TA subsidy, is necessary to identify the most cost-effective alternatives. An example of this in practice can be found at Ealing, who established a model which they used to make the decision to purchase properties, because the costs were found to be less than the money they were spending on B&B and other nightly paid TA.
Alternative Sources of Supply

Private Sector Leasing

LAs should consider using TA subsidy to cover the costs of leasing self-contained accommodation to meet your needs. Assess the market locally and further afield if the local market won’t meet your needs. Benchmark what other LAs are paying, seek procurement advice, and design a scheme that will deliver what you require.

An in-house Private Sector Leasing (PSL) scheme may be the most cost-effective approach if your authority has the skills to manage the properties, as this avoids the need to pay agents. Leases are normally for a minimum period, which could be 2, 3 or 5 years. Any PSL scheme should offer landlords guaranteed rent at or around LHA (or 90% January 2011 LHA) and the management fee should cover the management costs. However, there are economies of scale in managing properties, so it may not be cost effective to set up your own in-house team. If you are setting up a Social Lettings Agency then they could manage the properties.

If the TA subsidy regime works for Registered Providers in your area, you could set up a Housing Association Leasing Scheme (HALS) / Housing Association Leasing Direct (HALD) scheme. HALD is a homeless prevention scheme, which also attracts TA subsidy. You can have a combined scheme with some properties used as TA (HALS) and some as prevention (HALD). However, in London, since the overall benefit caps came in, RPs tend to favour a Private Sector Leasing or Private Licence Agreement (PLA) type scheme, where the Council is the landlord and takes the rent risk.

A PLA scheme offers greater flexibility, as there is no minimum fixed lease period, so you can give an agent 28 days’ notice if you don’t need the property or if you use it as interim TA. This type of scheme normally involves working with agents who lease the properties from the landlords, with the LA leasing and doing the rent accounting. The Royal Borough of Kensington & Chelsea and the London Borough of Hammersmith & Fulham have PLA schemes. There are a number of areas to consider, including the level of lease rent payable to the agent – look at TA subsidy, market rents, LHA & try to cover costs, allowing for in-house rent collection and bad debts. Remember what your costs are, if you are currently using B&B or nightly paid annexes, as you may no longer be able to run a PSL scheme at no cost, but this could still be better and cheaper than B&B and annexes.

Social Lettings Agency

A Social Lettings Agency (SLA) can be in-house, although this can also be set up as a separate company or a Registered Provider could do it for you. It’s an agency that
has an identity and brand separate to the Council, even if it’s in-house. It allows for a professional approach to liaising with landlords and can offer a range of products, including access to PRS via a bond, rent deposit or incentive scheme, a managed service and PSL. It can compete with high street lettings agents as it does not need to make a profit, so can charge lower fees for management and maybe no fees for lettings.

Havering has developed an in-house Social Lettings Agency, which offers local landlords a range of options including:

- A ‘high-street’ style property management service
- Long-term leases
- Letting properties as shared accommodation.

For the property management service the Social Lettings Agency act as a managing agent for private sector landlords, similar to many ‘high-street’ letting agencies. They charge a competitive management fee and give the landlord free additional benefits including:

- Guaranteed rent
- A deposit bond guarantee
- 3 x free repairs up to the value of £100 for each repair
- A free pre-tenancy gas safety check
- A list of waiting tenants
- A team of experienced Housing Officers.

https://www.havering.gov.uk/Pages/Services/Social-Lettings-Agency.aspx

Birmingham have outsourced their Social Lettings Agency, ‘Let to Birmingham’, to an established provider:

http://www.birmingham.gov.uk/let-to-birmingham

Harrow’s in-house Social Lettings Agency, “Help to Let”, is a similar set-up.
http://www.help2let.co.uk/.

They offer landlords:

- Fast-tracked direct payment of LHA within the borough
- A 6 month Rent Guarantee Bond, one month’s deposit, rent in advance and an incentive payment
- A dedicated account manager available to give support and help
- Free Energy Performance Certificate (EPC) - if required
- No fees or charges
- Advice and assistance with tenancy problems
- Repair Grants for properties in Harrow
They offer tenants:

- Rent deposits and rent in advance
- Free Tenant Information Sessions.

Waltham Forest’s ALMO, Ascham Homes, have also set up a Social Lettings Agency; Letting Waltham Forest. They offer landlords 3 options:

- Tenant Finder
- Tenant Finder and Rent Collection Service (a rent guarantee scheme)
- Full Management Service, which includes rent guarantee and collection, with no management fee

https://www.walthamforest.gov.uk/Pages/Services/lettings-wf.aspx

Oldham Council have a well-established Social Lettings Agency; Homes for All, operated by Aksa Homes (who are part of New Charter) and delivered in partnership with the local authority. They offer a number of different levels of management service including:

- a tenant finding & vetting service
- a full management service, which includes rent collection and repairs carried out by their in-house repairs and maintenance service.

http://www.homesforallaksa.co.uk/

| PRS Access Schemes |

The best way to avoid using TA is to prevent homelessness or discharge your duty by offering private sector accommodation. You should consider having a PRSO policy, which sets out the rules to follow when deciding whether to offer a PRSO. Review your PRS offer to landlords. If you are not getting enough properties, you may need to improve the offer. Landlord incentives include:

- bonds or guarantees against rent arrears and /or damage
- insurance
- rent deposits
- rent in advance
- non-returnable cash incentives
- grants or loans for repairs e.g. Better Homes Grant (West London Housing Partnership)
• free EPC, gas & electric certificates
• guaranteed rent (leasing gives them this)

You should ask landlords what they want, accepting that you may not be able to match all their aspirations. Things you may be able to offer include:

- a named contact in HB
- a quicker turnaround or “fast-tracking” of HB applications
- a better system to get rent direct
- landlord forums or other events
- accreditation schemes & training for landlords
- a named contact in the Council for issues with tenants
- pre-tenancy training for tenants

Consider whether your authority is using DHP just to top up the rent for families affected by the LHA caps, benefit cap or bedroom tax in TA or social housing? DHP can be used to pay for rent deposits or rent in advance or to top up PRS rents. Local welfare assistance schemes can also be used for rent deposits and rent in advance in some cases. Check the criteria of your local scheme; a good working relationship with Revenues & Benefits is key here, as quick assessments and the ability to access DHP and local welfare provision to prevent homelessness are very important. Please refer to the guidance contained in the DPR toolkit.

Credit unions can help tenants sustain private sector tenancies as a long term accommodation option without financial dependence on the Council, by helping tenants to save money for deposits, and by issuing loans. Crawley used some of their DCLG funding to fund an extension to their local credit union to provide a base in Crawley and support the service to achieve self-funded status.

The NPSS has a Private Rented Sector toolkit accessible via the website at www.practitionersupport.org

CRISIS also has a PRS access toolkit, follow this link http://www.crisis.org.uk/data/files/Private_Rented_Sector/Toolkit/PRS_Toolkit.pdf

Self-contained Emergency Accommodation (nightly lets or “annexes”)

One relatively quick way to reduce the use of B&B is to procure self-contained nightly lets or “annexes”; Westminster, Ealing and Crawley have used this option. There is a market for this type of accommodation in London, so in the capital this can be a quick way of getting hold of self-contained accommodation to reduce B&B use. Prices in London increased a great deal recently, so rents are expensive and there is also a risk
that providers will move properties from PSL and PLA schemes to nightly lets to make more money. Annexes are a useful option, but LAs should always make sure they decide on how much they are willing to pay, which should take account of TA subsidy, LHA and market rents. If they are procuring out of borough they should not pay more than the host LA, in order to avoid inflating the market. It is likely that LAs will have to pay more than TA subsidy for annex accommodation. Recent case law confirmed that, if used as interim accommodation, a possession order is not required, although reasonable notice must be given.

Use of Own Stock

Consider using empty properties in your own stock as TA. If your authority has voids on regeneration estates that will be available for a year or more, consider using these as TA. Properties can be managed in-house, by the ALMO or through an RP, who will carry out work to get them to a standard where they can be let, and may lease them on the basis that vacant possession will be secured when the Council needs it. Hounslow, Westminster, Ealing, Barnet and Barking & Dagenham all do this. Hounslow have also used long-term Council voids as TA. Brentwood and Uttlesford use properties in their own stock as TA. If you have low demand properties they could also be used as Temporary Accommodation, occupied on a non-secure tenancy.

Conversion of Council buildings

You should also look at other Council buildings that could be converted into use as TA. Consider:

- former sheltered housing blocks (Hounslow, Croydon)
- former children’s homes (Croydon)
- former care homes (Barking & Dagenham)
- former park keeper and school keepers’ houses (Croydon).
- empty shops / commercial premises on Council estate (Ealing).
- old offices

The experience of LAs such as Croydon and Hounslow is that planning consent / building control issues may be more onerous than expected; therefore there is a need to work closely with planning colleagues and allow for a long lead-in time. Political support for changing use of a sheltered housing block, for example, may be crucial and there may be some negative responses to change of use from residents. Conversion of a sheltered scheme requires planning consent, consultation with stakeholders, design & specification of conversion works. This is not a quick win, but part of an overall procurement strategy to meet accommodation need.
Office to Residential Conversions

Planning permission rules covering conversion of offices into residential premises have been relaxed and, with the help of Empty Property Grant, this is an option being explored by some boroughs, such as Hounslow and Brent.

Buying Properties

DCLG have worked with Social Finance to develop on models of buying properties for use as temporary accommodation. Social Finance is a not-for-profit organisation which partners with government, voluntary sector agencies and financial institutions to develop solutions to social problems. There are different variants and detailed financial modelling is needed before deciding whether to proceed and which model to use, but, if it stacks up, this is a way of acquiring an accommodation asset and increasing access to good quality, self-contained TA. Enfield has set up a company to buy properties which will allow them to discharge duty through PRSOs. Ealing are buying properties themselves, through an agent, and using these as TA. The accommodation includes flats on estates designated for regeneration, which they are buying early, in order to use as TA until vacant possession is required. Croydon and Westminster are also buying properties.

Follow this link to see the Social Finance report & technical guide commissioned by the DCLG “Supporting homelessness prevention and alleviation through investment in the private rental sector” [http://www.socialfinance.org.uk/dclg-report/](http://www.socialfinance.org.uk/dclg-report/)

Buying & converting

Buying public and private sector buildings and converting into TA hostels, for example former supported housing schemes from Registered Providers or B&B from private landlords, is another option to consider. Brent has acquired a hostel via this route.

Empty Properties & Grants

Empty Property Grants can be used to get long-term empty properties into use. Landlords who receive empty property grant from the Greater London Authority have to enter into a 5 – year lease with the borough or partner RP. West London Housing Partnership use capital funds to offer Better Homes Grants, averaging £2500, to landlords to get properties up to the Decent Homes standard or to improve energy efficiency. In return the landlords have to agree to accept referrals from the LA for 2 years, or enter into a PSL or PLA scheme for the same minimum lease period.

Supporting you to prevent homelessness
Wycombe are looking at using capital receipts from the sale of poor quality TA to grant fund an RP to procure properties to be let on ASTs; they can then offer these properties as prevention, PRSOs or TA.

**Modular Units**

Several boroughs, including Hounslow, Brent & Ealing have looked into the viability of using modular units as TA. Hounslow’s experience shows that LAs need to fully investigate the site condition before embarking on such a project, to be sure about the viability of the scheme; this will include ground maintenance costs, new utilities and whether the site is restricted due to statutory allotments or other covenants... They should also consider planning constraints, and renewal energy and sustainability issues, (e.g. noise from Heathrow flight path!) If you are able to find a suitable site, then this could be a possible alternative to B&B.

**Moving to Cheaper Areas**

LAs where house prices and rents are high may need to consider moving families out of borough to cheaper areas, if there is not enough affordable accommodation available in the borough. Whilst this may not be desirable politically or popular with families, it is an option that may need to be considered, both in terms of cost and avoiding the use of B&B for more than 6 weeks.

London Councils have developed an Inter Borough Accommodation Agreement, between the 33 London boroughs. [http://www.selondonhousing.org/selondonhousing/downloads/file/47/london_inter_borough_accommodation_agreement](http://www.selondonhousing.org/selondonhousing/downloads/file/47/london_inter_borough_accommodation_agreement)

The principles, most of which are applicable elsewhere, are as follows;
- to notify the host borough
- not to pay more than the host borough
- for HALS & HALD, a host borough first principle applies
- not to place families with children on the Child Protection register

London Councils have also developed an Advice Note for London boroughs on placing families outside London, this has similar principles. As far as practically possible, these are to;
- notify the host borough of placements
- ensure that the rent paid takes reasonable account of what the receiving authority could pay and is not at a level that is likely to encourage unduly the inflation of local rent levels

Supporting you to prevent homelessness
• avoid placing families containing vulnerable children outside of London.

These are good practice principles.

Please remember that notification of TA placements is a legal requirement.


to ensure that any offer of accommodation is suitable. The Nzolameso judgement says that LAs should have policies for procuring sufficient units of temporary accommodation to meet their demand and for allocating those units. It also says that, if there is an anticipated shortfall in in-borough units, that this policy should explain the factors to be taken into account in offering households these units, the factors to be taken into account in offering units close to home and, if there was a shortage of such units, the factors that would make it suitable to offer accommodation further afield.

Support for Families

Support for families in B&B

B&B is unsuitable temporary accommodation, so families need support whilst they are there. As well as discussing options for move-on, they will have practical issues to address. Croydon provided additional support in B&B to ensure that complaints and issues were responded to quickly, provided practical support to families moving to TA out of the borough e.g. with travel and removal expenses, and developed bespoke solutions for families moving into self-contained TA, particularly those moving out of borough. Birmingham employed 4 staff, 3 funded by Public Health, to provide holistic support, including income maximisation through benefits claims and assistance with local schools and GPs. Two of the staff were trained to provide additional assistance in relation to the health of the household. Speedier benefit claims and housing need assessments removed obstacles to rehousing at an early stage.

Move-on Plans

In order to ensure that families move on within 6 weeks, LAs need to start discussing options and planning solutions from Day 1, and not leaving it until to 5 weeks of
occupancy. If LAs have a problem with numbers in B&B then they may need to have weekly meetings to go through cases to make sure that they are being processed as quickly as possible and that all options are being pursued.

Hounslow employed a TA Move-on Officer who focused on B&B move-on.

Greenwich reviews their list of families in B&B on a daily basis, prioritising these families for offer of self-contained TA.

Stockport has developed a model of move-on / rehousing action plans for all households in TA and monitors these weekly.

Examples of support / move-on plans from Wigan, Stockport and Greenwich are available on the NPSS website.

**Monitoring**

**Performance Management**

The use and cost of B&B should be monitored closely by authorities as part of their performance management framework. Some boroughs require authorisation by a senior manager to place a family in B&B, this ensures that all other options are considered before using this type of accommodation. If B&B placements are made, it is vital that you monitor what happens after the placement rather than letting things drift. Monitoring should also show the net cost of the placement - i.e. the difference between TA subsidy (based on the 1-bed LHA rate for January 2011) and the nightly rate. If you have families in B&B, you should set targets to reduce the overall numbers, the number of families in B&B for more than 6 weeks, and the net spend. Each of these needs to be monitored regularly.

**Action Plan**

If you have families in B&B you need an action plan on how you will reduce the numbers. To see a template action plan developed by NPSS, visit the website: www.practitionersupport.org

**Property & management standards**

If you do have to use B&B, it is important that the quality of management and property standards are good. B&Bs should be inspected by a qualified, competent Private Sector Housing Officer (PSHO) or Environmental Health Officer (EHO), who is able to determine whether the accommodation and management are of a high enough standard, and can take enforcement action if they are not. London has the Setting the
Standard database and a common set of standards, used by PSHOs to grade the properties. The inspection reports and grading are available to officers across the capital. This helps to ensure that boroughs do not place in poor quality B&Bs. It is also used to show how much boroughs are paying for B&B accommodation which helps ensure that the host borough is not outbid by neighbouring authorities.

All the tools on the NPSS website are available for download and link to the requirements in the diagnostic peer review national frameworks criteria and local challenge criteria for the Gold Standard Programme.

Further advice and assistance can be provided by contacting the team at Generalenquiries@practitionersupport.org or www.practitionersupport.org

Regional good practice examples

**North East**

- Redcar & Cleveland use an ‘Authorisation for Emergency Accommodation’ form for all cases placed in B&B accommodation. The form requires the officer to detail the actions that have been taken to prevent homelessness, and also the actions that have been taken to prevent the use of B&B accommodation. The officer is also required to note the move on options in place, to ensure that when B&B accommodation is used, this is for the shortest time necessary. The form is checked and approved by the Housing Service Team Leader and then by the Service Manager before the B&B placement is made.

**North West**

- Tameside – the council has contracted the housing options service function to a housing provider. The council operates a payment by results approach towards temporary accommodation use, incentivising the housing options service to prevent the use of expensive B&B accommodation. The housing option service is allowed to retain 25% of any underspend on the annual temporary accommodation budget, and is then free to spend this money to fund any additional and complementary prevention tools and initiatives for the service to use.

**Yorkshire and Humber**

- Rotherham – have 25 ‘crash pads’ available to use as temporary accommodation. These are a mixture of one bed flats and family units, leased
from the social housing stock. The crash pads are accessed via a key pad code, so they can be also be used out of hours, and provide for a flexible and responsive use of accommodation to meet any emergency demand.

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<th>East Midlands</th>
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<td>• Nottingham - TA limits the impact and disruption of homelessness on the customers, and allows residents to take pride in their accommodation, with the accommodation being safe and of a high quality. This includes comprehensive support and move-on work with great multi-agency work and 24 hour commissioned support. The accommodation has also been used to help support Children's Services colleagues for Child in Need cases when there is a vacancy. GP surgery is adjacent to one of the accommodation sites. One of the accommodation projects also has a Polish speaking worker in recognition of the mixed communities.</td>
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<td>• Dudley - Staff are based in a hub with a young persons’ mediator based on-site. The mediator sees all cases of young people where appropriate. All young people are then assigned a support worker. Support needs are assessed immediately which informs placement in accommodation where needed. The mediator has a high success rate of returning young people home, but where emergency accommodation is needed – emergency beds, supported accommodation, supported lodgings and Nightstop are all available. B&amp;B for 16/17 year olds has not been used in Dudley for over 2 years.</td>
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<td>• Colchester – as part of the stock transfer agreement they have up to 35 units of accommodation for use as TA. There is flexibility in the arrangements – if there is a reduction in demand they hand properties back, if there’s an increase in demand they ask for replacement units. A few vacancies are maintained at any given time to enable them to respond to any emergencies but not so many that they are spending an excessive amount on void rent costs – it’s a constant juggling act. There is a corporate awareness of and commitment, they complete monthly monitoring and reporting to Directors. The Allocations Policy includes the facility to award band B priority (the same as accepted duty homeless) to</td>
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Supporting you to prevent homelessness
prevent homelessness: at the discretion of officers and involves considering the wider picture, not just the individual’s circumstances.

South East

- Test Valley Borough Council – Spend to save argument used to put in place additional staff post. This has resulted in a reduction of B&B costs from £130k per year to £26k per year
- West Berkshire – Have a flexible lease system in place with local RP to ensure a quick response to a change in demand for temporary accommodation
- Winchester – Triage system in place to ensure that customers receive specialist advice from their first point of contact and only tell their story once.
- Oxford – ‘Check and challenge’ system in place to ensure that B&B is used only as a last resort.

South West

- Mendip District Council – weekly temporary accommodation management meetings in place to ensure B&B used only as a last resort and clear move on plans are in place where placement does need to be made. Reduced B&B from 31 to 3 in a quarter
- South Somerset – Provide a ‘housekeeping’ service e.g. financial assistance to a friend/family member to negate the use of B&B
- B&NES – Internal processes and procedures in place to ensure a consistently high right rate of recovery on B&B charges (currently 97%)