

CIH submission to MHCLG's Tackling Homelessness Together consultation



Chartered
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Housing

About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple – to provide housing professionals and their organisations with the advice, support and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world.

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Introduction and summary

CIH welcomes the opportunity to respond to this Ministry for Housing, Communities and Local Government Tackling homelessness together consultation on structures that support partnership working and accountability in homelessness.

CIH is broadly supportive of the proposals to introduce Homelessness Reduction Boards and a new statutory duty to cooperate, but they would need to form part of a package of measures that support local authorities with reducing homelessness levels in England.

Partnership working is a crucial part of any plan to reduce homelessness. It can help pool resources, improve accountability across organisations, and align local systems to target support at the right people, at the right time and in the right way. It is important that any mechanism that compels local authorities to work together to reduce homelessness has clear aims, adequate funding, an outcomes-focus, accountability and a national policy framework that supports, rather than undermines its aims.

The introduction of a new mechanism that encourages closer partnership working and increases local accountability for reducing homelessness would be a positive step, but it is unlikely to have the intended level of impact unless central government acknowledges how its housing and welfare policies are adding to the challenges faced by local authorities and their partners.

Central government funding programmes have huge power to bring partners together, but their associated incentives and levers are being undermined by the depth of cuts to the general revenue support grant they allocate to local governments across England. This reduction in funding, especially in areas of disadvantage - where councils are less able to rely on income via business rates and council tax – means that prevention focused services are being lost, to prioritise more expensive statutory activity. Any joint efforts to reduce homelessness cannot compensate for this significant loss of resource.

Underpinning a joined-up approach to ensuring everyone has the dignity and security of a decent and affordable home, Government have the opportunity to lead by example. CIH believes that a national overarching homelessness reduction strategy, that includes its rough sleeping strategy, is required to drive the type of

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action needed to improve services and interventions that support people when they are most in need and deliver better outcomes for them.

This submission responds to the following broad areas being explored via the consultation:

1. The effectiveness of existing accountability arrangements - how effective existing structures are, whether they might do more to address this issue, and what prevents them from being as effective as they might be
2. Homelessness Reduction Boards - whether the Government should introduce them and, if so, how this could be done most effectively
3. Other ways of achieving effective partnership working - how else we might improve local accountability and partnership working

Wider policy context

Partnership working is a crucial part of any plan to reduce homelessness. It can help pool resources, improve accountability across organisations, and align local systems to target support at the right people, at the right time and in the right way. It is important that any mechanism that compels local authorities to work together to reduce homelessness has clear aims, adequate funding, an outcomes-focus, accountability and a national policy framework that supports, rather than undermines its aims.

Current efforts to reduce homelessness, by local authorities and their partners, are being hindered by a range of housing and welfare policies. While these challenges are not the subject of this consultation, Government must address the effects of the wider policy issues set out below, if any plan to encourage closer partnership working and increase local accountability for reducing homelessness are to succeed.

Supply of affordable homes for rent

It is difficult to envisage how any plan to reduce homelessness can succeed without ensuring there are enough homes to let at social rent levels (our most affordable homes) – a key action set out by Crisis in their [evidence-based plan to end homelessness in Great Britain](#).

Based on central [government's plans to tackle the under-supply of housing in England](#), we need to build at least 300,000 new homes per year to meet current need and a backlog of demand. We also know that 90,000 of these, each year, need to be homes to let at social rent levels, but in [2017/18 only an additional 6,810 were provided \(including 347 London Affordable Rent homes\)](#).

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At the same time, we are losing too many of our most affordable homes through a combination of right to buy sales, demolitions and conversions from social to affordable rent. Our analysis shows that we have already lost more than 165,000 social rented homes since 2012 and this is set to rise to almost 200,000 by 2020 unless we see significant policy change.

CIH continues to call on Government to suspend the right to buy. We are currently only replacing one third of homes sold via the policy. We have also urged government to rebalance its housing investment programme. Currently, funding is far too heavily skewed towards the private market and homeownership. Only 21 per cent of total funding up to 2020 is earmarked for affordable housing, which includes affordable rent and affordable homeownership products.

Welfare policy

A range of welfare policies are placing too many households at risk of homelessness. The evidence on the link between entitlement to help with housing costs and rising homelessness levels is strong – it is highlighted, annually, by Crisis' Homelessness Monitor England research and this year's report is no exception. Our own research with the University of Sheffield (2017) found that 84 per cent of local authorities and 70 per cent of housing associations feel that changes to national welfare policy is impacting negatively on partnership working to tackle homelessness.

CIH have called on government to realign Local Housing Allowance (LHA) rates to market rent levels in the lowest 30th percentile, which is in line with government's original LHA policy aims. Our analysis highlights that the gap between LHA rates and actual market rents has grown significantly since reforms placed a cap on uprating in 2010 and then the four-year freeze to rates since 2016. People who rely on LHA to help pay their housing costs are being limited to a declining proportion of the market – the bottom 5-10 per cent in many areas and, in areas of highest housing pressure, there are no properties available to let at LHA rates at all. And our recent research with Crisis shows that in 92 per cent of areas in Great Britain, just one fifth or less of the private rented sector is affordable within Local Housing Allowance rates for either single people, couples, or small families.

We also ask Government to scrap the benefit cap after the most recent official figures showed that more than 40 per cent of the 53,000 households affected are losing more than £50 a week. This means that thousands of families are struggling on a daily basis – many are going without food or heating, so they can pay for their housing, or they are falling behind with their rent and facing homelessness.

The Discretionary Housing Payment (DHP) scheme is insufficient to provide additional support with housing costs to the extent required to help people avoid

homelessness. Our analysis of DHP allocation and spending of funds since 2013/14 (due for publication Summer 2019) reveals that whether councils underspent or topped up their allocation, homelessness has grown in almost one out of two local authority areas. Based on temporary accommodation and statutory acceptance figures over the last five years, we found that homelessness had increased in;

- 60 of the 126 (48 per cent) local authorities that consistently underspent all or most of their DHP allocations for the last five years
- 34 of 79 (43 per cent) authorities that had never underspent, had mainly topped up, or had spent close to their full allocation for the last five years

These findings suggest that DHPs are an inadequate substitute for an effective system of help with housing costs based on clear and transparent, nationally set rules. CIH therefore believes Government should review the DHP scheme's ability to target additional help with housing costs at those who need it the most.

Impact of local authority funding cuts

CIH has concerns about the impact of local authority funding cuts on the potential for partnership working to reduce homelessness. Central government funding programmes have huge power to bring partners together, but their associated incentives and levers have been undermined by the depth of local authority funding cuts. These cuts have reduced the capacity of many local governments and their partners to work together effectively on the delivery of homelessness/support services.

A recent [Local Government Association report](#) highlights the concerns being raised, by local authorities, about the impact of reduced investment in support services, that help to prevent homelessness, because of declining levels of local authority general revenue support grant funding from central government. A recent [report by St Mungo's and Homeless Link](#) highlights that since 2010 local authorities have spent £5 billion less on services for single homeless people. A [report by the New Policy Institute](#) last year, confirmed that local authorities most reliant on government grant are having to make difficult budget decisions as a result of cuts to their funding and this is diverting investment away from housing support and prevention-focused services to fund statutory services.

Our [Tackling homelessness together research](#) with the University of Sheffield highlights growing 'concerns around letting homes to applicants "characterised by socioeconomic exclusion", homeless households with multiple/ complex needs, or otherwise vulnerable', with approximately 51 per cent of local authorities and 50 per cent of housing associations citing 'unmet support needs' as one of the main reasons they would reject a nomination of a homeless household, compared with [17 per cent in 2007](#).

CIH response to areas being explored in the consultation

Our response to the consultation's broad areas for exploration are set out below.

1. **The effectiveness of existing accountability arrangements - how effective existing structures are, whether they might do more to address this issue, and what prevents them from being as effective as they might be**

Local authorities' homelessness strategies play an important role, in bringing relevant partners together to explore and agree responsibilities and actions to address homelessness in their areas. Positive outcomes of an effective homelessness strategy include:

- **Forums, protocols and partnership agreements (both formal and informal)** that stem from homelessness strategies, and linked strategic objectives (e.g. health, social care and justice). Such arrangements can strengthen accountability and provide a framework that supports a commitment to reducing homelessness.
- **Joint working arrangements** like co-location, pathway models and data sharing protocols are all examples of how strong strategic alignment can shape and influence how services are developed and provided.

Where above arrangements are deeply embedded, the duty to refer, introduced by the Homelessness Reduction Act from October 2018, provided an additional mechanism to prevent and tackle homelessness in local systems.

The duty to refer is a positive step in ensuring public services recognize the importance of their role in tackling homelessness. However, the duty is limited – it does not require services to go further than directing people to a local housing authority - and it does not apply to many public services who have frequent contact with people who are homeless or at risk of homelessness – GPs, schools and colleges, and the police, for example. In addition, the duty to refer does not apply to registered providers of social housing who have an undeniably important role to play in helping local authority efforts to reduce homelessness.

CIH believes that Government should extend the duty to refer to GPs, the police and education providers and it should carefully consider how the current regulatory framework for registered providers of social housing can be strengthened to ensure their contribution and participation.

There are examples of good practice where agencies, that are not subject to the duty to refer, have committed to the requirements on voluntary basis and where work is being done to secure such a commitment. Examples include:

- The National Housing Federation's voluntary commitment to refer which provides housing associations with the opportunity to commit to the same requirements set out in the duty to refer, but on a voluntary basis. By signing up to the voluntary commitment, housing associations can demonstrate that they are serious about supporting local authorities to reduce homelessness. Almost 200 registered providers of social housing have signed up to the commitment to date, representing almost 2 million homes across the country.
- The West Midlands Housing Associations Partnership (WMHAP), have made a voluntarily commitment to collaborate to prevent/relieve homelessness and have declared an ambition to work towards no-one being made homeless from social housing.
- CIH and Crisis are supporting a West Midlands Combined Authority homelessness taskforce initiative to work towards securing a commitment to collaborate across public service organisations, to address the systemic and structural issues which can cause homelessness. The aim is to take the duty to refer to another level by getting as many organisations as possible involved in designing homelessness out of local systems and the ways that public services are delivered.

CIH believes that while it is positive such practice exists, we can go further, and we should therefore require this level of collaboration and partnership working on a consistent basis.

To help inform our response to this consultation, we ran an online survey of our members - 72 members took part. More than two thirds (69 per cent) of respondents feel that the strength of current partnership working to tackle homelessness is above average (weighted average of 6.14 on a scale of 1-10 where 10 is the strongest). Additional feedback via our survey highlights that existing accountability arrangements can vary depending on local strategic and operational structures. Based on this, CIH believes that having an overarching outcomes and performance framework will drive consistency and accountability for all relevant partners and stakeholders.

2. Homelessness Reduction Boards (HRBs) - whether the Government should introduce them and, if so, how this could be done most effectively

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CIH is broadly supportive of the proposals to introduce HRBs to bring local delivery partners together so that statutory and non-statutory structures can play a stronger role in enabling delivery partners to work together, both strategically and operationally, to reduce homelessness.

We believe that the proposed HRBs can be successful, a view supported by our members in feedback from our online survey. HRBs can help strengthen partnerships, encourage more joined up working and help align local systems by bringing more joint accountability among the right people at the strategic level.

CIH believes for this to be done most effectively:

- HRBs must be backed up by adequate funding, to ensure they have real impact rather than adding a meaningless layer of bureaucracy.
- They should include a mechanism to guide local authorities in convening HRBs and deciding membership. Local authorities will need to have flexibility to determine who is best to represent public services providers, but that they should also seek to involve key representatives from social housing providers and voluntary/community sector organisations. Guidance should set out the types of organisations and sectors local authorities should seek to include in their local HRBs.
- The requirement must be underpinned by clear aims and expectations to ensure all HRB members are committed to their purpose. Focusing on outcomes and incentivising performance against these – maybe via a funding programme - could help achieve this.

It is also important to note that HRBs cannot be introduced in isolation. They would need to form part of a wider package of measures that support local authorities to reduce homelessness levels in England.

National policy affects the extent to which local authorities can develop and deliver solutions to homelessness. Evidence submitted by Crisis Chief Executive, Jon Sparkes, at the [Communities and Local Government Select Committee evidence session on the impact of the Homelessness Reduction Act 23 April 2019](#) highlights that while the Act has improved the experiences of people seeking homelessness assistance from local authorities in England, it has not improved solutions to address their housing difficulties.

Our member survey showed that the main challenges faced by local authorities are supporting access to decent and affordable rented accommodation. These challenges are exacerbated by an undersupply of homes to let at social rent levels

and the shortfalls between entitlement to help with housing costs and actual rent levels, which affects thousands of households.

HRBs have the potential to provide an accountability framework that can bring the right people together at the strategic level. CIH notes that the current requirements set out in the Homelessness Act 2002 provides local authorities with a strong foundation on which to build such an accountability framework.

The absolute duty on local authorities, set out in the Homelessness Act 2002, to have a strategy and publish a new strategy following a review within five years has the potential to be a strong regulatory mechanism to direct activity to work together to tackle homelessness at a local level, if enforced.

There is currently no national oversight to ensure local authorities update their homelessness strategy within the stipulated five-year timeframe and CIH has received anecdotal feedback that suggests that many strategies are out of date. CIH, therefore welcomes the steps MHCLG sets out in its Rough Sleeping Strategy, to support local authorities to update their homelessness strategies and introduce a mechanism to monitor progress against delivery of strategies, as well as proposing that action will be taken if local authorities fail to comply with requirements. It is important that HRBs enhance these requirements rather than exist separately.

CIH also believes the existing framework, contained within the 2002 Act, can be strengthened further by replacing powers ('may') with absolute duties ('must'), including:

- Section 3(2) suggests that local authorities with a strategy '*may* include specific objectives to be pursued, and specific action planned to be taken' in delivering their strategy.
- Section 3(3) sets out that local authorities with a strategy '*may* also include provision relating to specific action' to be taken by their statutory and non-statutory partners.

3. Other ways of achieving effective partnership working - how else we might improve local accountability and partnership working

CIH is broadly supportive of Government's proposal to introduce a statutory duty to cooperate between specific public bodies but on the same basis as set out above – that housing and welfare policy issues, as well as the impact of local authority funding cuts, that are undermining rather than supporting efforts to tackle homelessness, are addressed. We would also like to note that such a duty would

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need to include a mechanism for engaging local services and organisations in a process that identifies the challenges and opportunities that are unique to each local area. The above mentioned WMCA homelessness taskforce initiative CIH and Crisis are supporting involves engaging with public sector organisations to work together and agree joined-up solutions – we would be happy to share progress of this work with MHCLG.

Feedback from CIH members via our online survey highlights the importance of having more joined-up systems, and that partners need resources to be able to play their part in tackling homelessness. The survey results showed that having more aligned systems and adequate funding are valued most highly. Members are less likely to support additional meetings at strategic and/or operational levels to achieve effective partnership working. The general consensus supports a framework that drives consistency of effort and accountability across all relevant partners, including housing associations – we already know they are considered an important partner in local authority efforts to tackle homelessness.

To fully support local accountability and partnership working to tackle homelessness, CIH believes that Government should develop an overarching national homelessness strategy. In particular we ask Government to adopt the recommendation of the Public Accounts Committee that MHCLG should publish 'a cross-government strategy for reducing homelessness that sets out clear targets and specific actions for all stakeholders to reduce all measures of homelessness', of which rough sleeping is just one.