

Cherwell District Council

Executive

6 July 2020

<p>Move-on Plans for Homeless People Accommodated During the Pandemic and Adoption of an Introductory Tenancies Policy</p>

**Report of: Assistant Director, Housing and Social Care
Commissioning and Assistant Director, Growth and Economy**

This report is public

Purpose of Report

The purpose of the report is to outline our plans for helping people accommodated in hotels during the pandemic to move on to settled or interim accommodation.

The report also recommends adoption of a policy for Introductory Tenancies for all new tenants housed by the Council. This policy will enable Housing Services to move on a number of homeless households from emergency and temporary accommodation post-pandemic and in the future.

1.0 Recommendations

The meeting is recommended to:

- 1.1 note the cost implications of supporting rough sleepers and single homeless people to move on from accommodation provided during the pandemic and to recommend to Council that budget provision be made to cover these costs should alternative funding be unavailable.
- 1.2 agree that all future tenants of residential Council properties will be offered an Introductory Tenancy, whether constructed pursuant to the Build! scheme or otherwise.
- 1.3 delegate responsibility to the Assistant Director Growth and Economy to produce and implement the detailed Introductory Tenancies policy and procedure.

2.0 Introduction

Tackling Homelessness During the Pandemic

- 2.1 A total of 65 single homeless people and rough sleepers have been accommodated by the District Councils during the pandemic. The Ministry for Housing, Communities and Local Government (MHCLG) directed local authorities to provide emergency accommodation to people who were sleeping out by 27th March 2020. Since then we have continued to accommodate people verified as rough sleeping or who would be sleeping rough without our help.
- 2.2 Several people have moved on to settled accommodation already or have abandoned the hotel accommodation or refused an offer of accommodation. This means we are currently accommodating 38 individuals and 1 couple i.e. 39 households.
- 2.3 In addition we have 39 single people in supported accommodation who were accommodated pre-Covid whom we are also working with to support move-on wherever possible and create capacity in the system (5 people in extended 'winter beds', 11 people in O'Hanlon House hostel, 10 people with complex needs in the Cherwell Project beds via Homeless Oxfordshire in Oxford, 13 people in Connection Support supported accommodation for people with lower support needs). There are also 6 young people who will not be transitioned in the recommissioning of the Young Persons Supported Pathway who are looking to Cherwell for move-on options by the end of September 2020.
- 2.4 Emergency accommodation is being provided at hotels in Oxford, Bicester and Banbury and in our existing contracted temporary accommodation next to the Musketeer in Banbury. Our arrangements with hotels will come to an end at the end of July. The Government's recovery strategy identifies 4th July as the date on which the hospitality sector can reopen. We therefore need to be alive to the fact that hotels will cease to be available to us in the coming weeks.
- 2.5 We are now focussed on ensuring no one has to return to the streets (wherever possible) and the Housing Team's efforts are focussed on this work. We are also seeing a rise in families seeking housing help including a higher than average level of applications for social housing.

Introductory Tenancies

- 2.6 At present all Council tenancies are secure tenancies. This means that the process for obtaining possession can be lengthy and expensive especially if the possession is for rent arrears. The use of introductory tenancies allows the Council to end the tenancy at the end of the introductory period if the introductory tenant breaches the terms of the introductory tenancy. There is still a requirement to give 4 weeks' notice but the use of this form of tenancy would allow the Council to take higher risk tenants such as rough sleepers

and homeless people with support needs. This will ensure that the government and council objective of no one returning to the streets after the pandemic can be more successfully achieved.

- 2.7 The difference between the 2 tenancies is explained in this report. The report summarises the legal position regarding the use of Introductory Tenancies and the action required to permit their use by the Council.

3.0 Report Details

Move On Plans

- 3.1 To successfully move all rough sleepers and single homeless people accommodated as a result of covid-19 we estimate that the following resources are required :

8 x Housing First placements @ £10k per person/couple per annum = £80k (NB this is predicated on being able to get registered providers to offer properties that can be used for the Housing First model where a tenancy is offered subject to high level support being put in place).

20 x floating support provision for those being rehoused in the private rented sector and in social housing @ £3.5k per person/couple per annum = £80k

Additional fixed term post to source additional private rented sector accommodation using Cherwell Bond Scheme and to undertake customised negotiation with landlords : 1 full-time equivalent for 12 months including on-costs = £40k

Total = £200k, 1st July 2020 to 30 June 2021 or £150k pro-rata for 2020/21.

(NB we expect some people to be able to return to accommodation with family or friends and some to be able to enter the Adult Homeless Pathway or potentially the Young People's Pathway (we have a small number of under 25s accommodated) which is already jointly funded by Oxfordshire County Council, Cherwell District Council and the other district councils).

- 3.2 We expect MHCLG to open a bidding round for capital and revenue funding to support the delivery of housing specifically for rough sleepers. This is part of the Government's pledge to deliver 6,000 homes for rough sleepers, with 3,300 of these to be delivered in 2020/21. Should Cherwell District Council be successful in this bidding round we would expect any revenue funding secured to cover some or all of the estimated move on costs. However this remains an unknown at this stage. As a result of the covid-19 pandemic and the accommodation of many more single homeless people in temporary accommodation we have an opportunity to prevent many people returning to street homelessness. Some people could potentially move into a council Build! property but this carries a risk for the council due to the complexity and needs of the individuals involved.

- 3.3 The next section describes how, by offering introductory tenancies, we will be able to help more homeless people into accommodation and at the same time mitigate the risk to the council of protracted eviction procedures, should the need to evict anyone arise. Housing Services will be putting in place support to individuals to ensure tenancies are sustained and people are able to stay in their accommodation long term. But it is important to have the option to end the tenancy and free up the accommodation quickly for someone else in housing need, should it be necessary to do so.

Introductory Tenancies

Housing Act 1996

- 3.4 Under section 124 of the Housing Act 1996 Local Housing Authorities may elect to operate an Introductory Tenancy regime. The Act provides that when such an election is in force every periodic tenancy of a dwelling-house entered into or adopted by the Local Housing Authority shall, if it would otherwise be a Secure Tenancy, be an Introductory Tenancy. The exception to this is where someone is already a Secure Tenant of a local authority immediately before the offer or where a Secure Tenancy is being assigned including in the case of a mutual exchange.

How does the Introductory tenancy differ from a secure tenancy?

- 3.5 An Introductory Tenancy enables a Local Housing Authority to permit a prospective Secure Tenant of a residential Council dwelling to occupy such premises on an introductory basis before being granted a full Secure Tenancy following a trial period of good behaviour.
- 3.6 An Introductory Tenancy differs from a Secure Tenancy in the following ways:-
- Introductory Tenancies enjoy no immediate security of tenure, meaning that no specific grounds to commence possession proceedings need be satisfied, although most landlords of Introductory Tenants will cite one or more grounds, such as rent arrears or anti-social behaviour, as a reason for giving notice to end that Introductory Tenancy.
 - An Introductory Tenancy will last for one year with the opportunity for the landlord to extend it for up to 6 months if there is any doubt about the tenant's ability to conduct their tenancy.
 - There is no right to assign or transfer an Introductory Tenancy, take in lodgers or make improvements.
 - Introductory Tenants do not enjoy the Right to Buy their property, although time as an Introductory Tenant does count towards a future discount.
 - There is no right to vote prior to any transfer to a new landlord.

- 3.7 Once the Introductory Tenancy period has expired the tenant will become a full Secure Tenant of the Council (meaning the tenant can normally live in the property for the rest of their life, as long as they do not breach the conditions of the tenancy).
- 3.8 Most landlords consider Introductory Tenancies to be an effective tool to respond to and deal with anti-social behaviour or other breaches of tenancy such as rent arrears among new tenants. Part of the process involves the right for any tenants to request a review of a decision to give them notice to vacate, which can lead to a productive dialogue and delaying any eviction. Even when notice has been served the process to the point of eviction can still take up to 3 months.
- 3.9 The vast majority of properties advertised through the Council choice-based lettings scheme ('Homechoice') are from registered providers and are offered initially as a twelve or eighteen month starter tenancy (the introductory tenancy equivalent for RPs). Tenants understand that this will lead to an assured or assured shorthold tenancy if the starter tenancy goes well and both parties are happy that the tenancy should continue. In other words, introductory/starter tenancies have become standard practice for both social landlords and tenants alike and provide a probationary period with the ability to end the starter / introductory tenancy more straightforwardly if the tenancy proves unsuccessful.

4.0 Conclusion and recommendation

- 4.1 We expect to make a funding bid to MHCLG for move on support costs but recommend agreeing in principle to fund the necessary move on costs to avoid the risk of rough sleepers returning to the streets.
- 4.2 The use of Introductory Tenancies is common practice within the social housing sector. It allows landlords to monitor the new tenant's behaviour and offer support if there are issues relating to rent arrears and anti-social behaviour which may impact on the Introductory Tenancy becoming a Secure Tenancy after one year, or 18 months with an extension. The Build team housing management staff provide considerable support to help tenants in their first year with the Council and it is unusual for any action to be taken without exploring many options with external partners such as Connection and Citizens Advice.
- 4.3 It is recommended that Cherwell District Council elect to use this form of tenancy.

5.0 Consultation

There has been close joint working with Oxfordshire County Council and the other District Councils to plan move on from hotels and ensure consistent

strengths based move on plans are produced for all individuals accommodated.

Housing Services and Growth and Economy have worked together to ensure the introductory tenancy approach supports the rehousing of single homeless people as a result of covid-19 and that the approach is in line with other registered providers that let their properties through Cherwell District Council's choice based letting scheme.

6.0 Alternative Options

If the costs of supporting move on plans are not covered there is a high likelihood of the majority of rough sleepers returning to the streets in July/August 2020.

If a scheme for Introductory Tenancies is not introduced then any tenant offered a tenancy of a Council residential dwelling will potentially enjoy full secure status by default. Introductory Tenancies will help ensure the Council's ability to easily end a tenancy as a result of tenant misconduct during the Introductory period is preserved.

7.0 Implications

Financial and Regulatory

- 7.1 The estimated costs of move on are set out at 3.1. If funding cannot be secured via a bid to MHCLG it would need to be found by the District Council from existing resources.
- 7.2 There are no direct financial implications from the implementation of introductory tenancies, although the management of the tenancies during the introductory period will require careful oversight to ensure that rent arrears do not build up causing budgetary challenges. Conversely the ability to manage tenancies will allow the Council to minimise longer term challenges that might have previously arisen with tenancies.
- 7.3 The Council will review the new arrangement after its first year of operation to assess the success, and the impact of the scheme operationally and financially.

Comments checked by :
Dominic Oakeshott, Assistant Director (Interim) – Finance.
dominic.oakeshott@cherwell-dc.gov.uk

Legal

- 7.4 The Housing Act 1996 (Section 124) requires that, before a local housing authority can operate an introductory tenancy regime in its area, it must

formally elect to do so. The recommendation sought in this report seeks to fulfil that objective.

Comments checked by:

Richard Hawtin, Team Leader – Non-contentious, 01295 221695,
richard.hawtin@cherwell-dc.gov.uk,

Risks

- 7.5 As identified, there is a high risk of the majority of rough sleepers returning to the streets post covid-19 if we are unable to support move-on in to interim accommodation, tenancies with floating support and Housing First tenancies.
- 7.6 If the recommendation to allow introductory tenancies is not approved this will lead to delays in obtaining possession and as a consequence could mean higher arrears or longer periods of anti-social behaviour which will impact on other tenants and could lead to a higher level of complaints. This will be managed as part of the services operational risk register and escalated to the Leadership Risk Register as and when necessary.

Comments checked by:

Celia Prado-Teeling, Team Leader – Performance, 01295 221556,
celia.prado-teeling@cherwell-dc.gov.uk

8.0 Decision Information

Key Decision

Financial Threshold Met: No

Community Impact Threshold Met: Yes

Wards Affected

All

Links to Corporate Plan and Policy Framework

Housing that meets your needs – support the most vulnerable people

Lead Councillor

Cllr John Donaldson, Lead Member for Housing

Cllr Lynn Pratt, Lead Member for Economy, Regeneration and Property

Document Information

Appendix No	Title
n/a	none
Background Papers	
None	
Report Author	Gillian Douglas
Contact Information	gillian.douglas@cherwell-dc.gov.uk