



<b>Service Delivery Committee</b>	<b>Tuesday, 11 March 2025</b>	<b>Matter for Information</b>
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**Report Title:**

**Homelessness update**

**Report Author(s):**

**Chris Eyre (Housing Manager)**

<b>Purpose of Report:</b>	To provide the Committee with an overview of the Homelessness position and the actions being taken to reduce the impact on the Council as of the end of Quarter 3, April – December 2024.
<b>Report Summary:</b>	<p>The report sets out the current position of homelessness and the number of households in Interim and Temporary Accommodation.</p> <p>It also sets out how the Council is responding and what actions are being taken to reduce the impact on the Council and its resources.</p>
<b>Recommendation(s):</b>	That the content of the report be noted.
<b>Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):</b>	<p>Teresa Neal (Strategic Director) (0116) 257 2642 <a href="mailto:teresa.neal@oadby-wigston.gov.uk">teresa.neal@oadby-wigston.gov.uk</a></p> <p>Adrian Thorpe (Head of the Built Environment) (0116) 257 2645 <a href="mailto:adrian.thorpe@oadby-wigston.gov.uk">adrian.thorpe@oadby-wigston.gov.uk</a></p> <p>Chris Eyre (Housing Manager) (0116) 257 2726 <a href="mailto:chris.eyre@oadby-wigston.gov.uk">chris.eyre@oadby-wigston.gov.uk</a></p>
<b>Strategic Objectives:</b>	<p>Our Council (SO1)</p> <p>Our Communities (SO2)</p> <p>Our Environment (SO4)</p>
<b>Vision and Values:</b>	<p>"Our Borough - The Place to Be" (Vision)</p> <p>Customer &amp; Community Focused (V1)</p> <p>Proud of Everything We Do (V2)</p> <p>Collaborative &amp; Creative (V3)</p> <p>Resourceful &amp; Resilient (V4)</p>
<b>Report Implications:-</b>	
Legal:	There are no implications arising from this report.
Financial:	There are no implications arising from this report.
Corporate Risk Management:	<p>Decreasing Financial Resources / Increasing Financial Pressures (CR1)</p> <p>Effective Utilisation of Assets / Buildings (CR5)</p> <p>Organisational / Transformational Change (CR8)</p>
Equalities and Equalities Assessment (EA):	There are no implications arising from this report. EA not applicable

Human Rights:	There are no implications arising from this report.
Health and Safety:	There are no implications arising from this report.
<b>Statutory Officers' Comments:-</b>	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	The report is satisfactory.
<b>Consultees:</b>	None.
<b>Background Papers:</b>	None.
<b>Appendices:</b>	<b>1.</b> Appendix 1 - Landlord Appeal

## **1. Introduction**

1.1 The Council is experiencing an unprecedented demand for Homelessness support, advice and services such as temporary accommodation. As of quarter 3 there are more than 200 households in Oadby and Wigston who have presented to the Council as Homeless and who registered to receive homeless support from the Council. Rising living costs, surging rents and a lack of affordable housing mean that households are struggling to find a safe and stable home across the borough. This report sets out the current position of Homelessness in the borough, how the Council is responding to the demand and what actions are being taken to reduce the impact of homelessness on the households and on the Council.

## **2. Current Position – Homelessness Management**

2.1 Homelessness is a statutory service delivered by the Council. In total there are 212 households who are currently owed a form of duty through the homelessness service. These applicants are divided into the following categories.

- Prevention duty- An applicant is eligible for support and assistance if they are in danger of losing their home, the council must try and help the applicant keep their current home and take reasonable steps to stop them from becoming homeless. The prevention duty is owed to all eligible applicants who are threatened with homelessness regardless of priority need, intentionality or local connection. An applicant will be deemed to be threatened with homelessness if they are likely to become homeless within 56 days. An example of this would be if a tenant has received a valid notice from their landlord.
- Relief duty. The council will take an application from an applicant and the housing options officer will carry out a full housing needs assessment for the applicant and their household. The council will work with the applicant and take reasonable steps to help them secure suitable accommodation. This does not mean the council has to house the applicant, but that it will take reasonable steps to help the applicant find somewhere suitable to live.
- Main duty. When the relief duty comes to an end, if the applicant has not been able to secure accommodation, the council will assess whether the applicant is owed the main housing duty. A main housing duty is owed if the applicant remains homeless, are in priority need, and have not made themselves intentionally homeless. Where a main duty is owed, the authority must ensure that suitable accommodation is available for the applicant and his or her household. The duty continues until a settled housing

solution becomes available for them, or some other circumstance brings the duty to an end.

2.2 Of the 212 households currently receiving support from the Council;

- 36 cases are in prevention duty
- 56 cases are in relief duty
- 120 cases are in main duty

2.3 Within the caseload of households receiving homelessness support, the Council is currently accommodating 90 of these households in either Interim (sometimes referred to as Emergency Accommodation) or in Temporary Accommodation. These Households are accommodated as follows.

- 66 Households in bed and breakfast/hotel rooms
- 15 Households in Council housing stock accommodation
- 5 Households in Council hostel accommodation
- 4 Households in leased accommodation

2.4 The current number of households being accommodated has risen by 70% since the start of the 2024-25 financial year, starting with 53 households being accommodated. The increase month on month is illustrated in table 1 below.

2024-25	B&B	Hostel	HRA Stock	Private Lease Stock	Total
April	34	3	12	4	53
May	37	4	12	3	56
June	37	4	13	3	57
July	41	4	13	3	61
August	52	4	12	3	71
September	60	3	14	4	81
October	66	4	15	4	89
November	66	5	14	5	90
December	61	5	15	5	86
January	66	5	15	4	90

**Table 1**

2.5 In benchmarking data collected regarding spend on temporary accommodation in 23/24 across Leicestershire, Oadby and Wigston had the second highest costs in comparison to the other district councils.

2.6 The financial cost of Temporary and Interim Accommodation is expected to reach £1.2 million at the end of Q4. The Council is expected to recover £726K of this from housing benefit subsidy from Central Government and service charges. Due to limits on the level of subsidy that can be claimed costs above these levels are not eligible for the subsidy so are a direct cost to the General Fund.

2.7 The Council is estimating this to be £474K after taking into account the contingency budget of £131K set aside to deal with additional pressures from homelessness. This will result in the Council having to fund the remaining £343K from General Fund reserves which will have a detrimental impact on the Council's reserves and balances.

2.8 There is no one reason as to why the Council has seen an increase in the number of households becoming homeless. However, a combination of

- High market rents in the private sector
- Affordability/cost of living crisis, low level income households
- Private sector landlords serving no fault evictions (Section 21 notice)
- Lack of social housing vacancies

- Relationship breakdowns

contribute to the current homelessness crisis in the borough.

2.9 It is likely that the instability in the private sector will continue to influence the number of households presenting to the Council over the next 12 months.

2.10 The Renters' Rights Bill is an impending piece of legislation intended to reform the private rented sector (PRS) by providing greater security and protection for tenants. The Bill poses significant reforms including provisions such as

- Abolition of Section 21 Evictions and Tenancy Reforms
- Strengthen Tenant Rights and Rental Market Practices
- Introduction of a Private Rented Sector Database
- Establishment of a new Ombudsman service
- Creation of a Legal Standard for Property Conditions
- Expanded Financial Penalties and Offences

2.11 There is anecdotal evidence to suggest that private sector landlords are exiting the market due to issues connected with the change in legislation, increased regulations and concerns around enforcement risks, and a perceived lack of control over their properties, particularly smaller landlords who may not have the financial means to comply.

2.12 If the supply of rental properties in the borough decreases, it is likely to result in higher rents and reduced availability with the remaining private rental stock. The Council will continue to face increased pressure to provide housing for those who are unable to find suitable accommodation in the private sector. This will compound existing homelessness pressures and have impacts to waiting times for the Housing Register.

### **3. Responding to the Demand**

3.1 The main housing duty continues until one of the following situations happens when the applicant;

- cease to be eligible for assistance
- becomes homeless intentionally from Interim/Temporary accommodation or they voluntarily cease to occupy the accommodation provided
- accepts an offer of a fully assured tenancy from a private landlord, including a housing association
- accepts an offer under the authority's Housing allocation scheme
- refuses certain offers of accommodation

3.2 Through the Council's Choice Based Lettings scheme offers of accommodation are made on properties that become available to let. This enables the Council to end its duty to homeless households.

3.3 However, the Council has a small housing stock (1,182 properties) and in an average year only 5% (60) of these properties become available to let. This is further restricted in that on average 24 of these vacancies are from the Sheltered Housing stock and only very rarely are these let to households who are homeless.

3.4 Therefore the Council's ability to end its duty to homeless households is restricted because of so few properties becoming available to let.

3.5 At the end of quarter 3 the total number of Council housing properties becoming vacant was 24 This is 20 properties fewer than in an average year. Table 2 provides an illustration of these vacancies.

	Bedsit	1B Bungalow	2B Bungalow	1B Flat	2B Flat	3B Flat	2B House	3B House
<b>Sheltered Housing</b>		6	1	5				
<b>General Needs Housing</b>	1			3	2	2	1	3

Table 2

3.6 As a result of the low number of vacant properties the Council is not able to discharge its duty to homeless households quickly. The low number of vacant properties and the high number of homeless households means that households are having to wait longer for an offer of permanent accommodation to be made to them.

3.7 The total number of households on the housing register is 1,170. Of this number, 233 households are in Priority Need which is the highest band that can be awarded. Most homeless households have been awarded a Priority Need band.

3.8 Calculated on the current demand and availability of Council housing stock households in the Priority Need band can be expected to wait an estimated:

- 6 years 1-bedroom property
- 7 years 2-bedroom property
- 5 years 3-bedroom property
- 8 years 4-bedroom property
- 7 Years 4+bedroom property

Therefore, the Council cannot currently meet the demand for housing in a reasonable timeframe, through the allocation of vacancies from its own housing stock.

3.9 The Housing Team continue to engage with private sector landlords, with the aim of nominating suitable applicants from the housing register to match against the landlord's vacant property. However, landlords are unwilling to compromise and reduce their rental expectations and are demanding market rents as opposed to rents closer to the Local Housing Allowance.

#### Leasing properties as Temporary Accommodation

3.10 The Council has sought to encourage landlords from the private sector to lease properties to the Council at or close to the Local Housing Allowance Rate. This rate is used to work out claims for housing benefits or housing costs through universal credit. For Leicestershire the Local Housing Allowance rates for different property types are shown in table 3:

	Shared room rate	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms
Weekly Allowance	£91.00	£124.27	£149.59	£178.36	£241.64

Table 3

3.11 The Council offer to private sector landlords is that we will pay rent in advance, agree 3-year lease terms or longer, carry out all the statutory annual property checks and services, undertake day to day repairs and maintenance of the property.

3.12 Landlords have been unwilling to reduce their rental expectations, or are offering significantly sub-standard accommodation on short term lease arrangements, expecting the Council to bring the property up to standard and to take the property back when the short term lease ends. In two recent examples

- A Landlord offered the Council a 3-bedroom property for lease for a period of three

years. The rental expectation that was non-negotiable was £375pw. At 48% more than the Local Housing Allowance rate (£178pw) with the Council also required to carry out management duties, day to day repairs and annual servicing and checks of gas and electrical installations.

- A Landlord offered the Council a 2-bedroom property for a lease period of two years. The landlord agreed to lease at the Local Housing Allowance rate of £149pw. However, the landlord wanted the Council to bring the property up to a lettable standard and fund the works. The estimated cost of bringing the property up to standard was £8,000+. This is too high given that the Council would only have the benefit of the property for 2 years before handing the improved property back to the Landlord.

3.13 In the Council's latest attempt to recruit private sector landlords the appeal generated interest from over 30 landlords details attached as appendix 1 – Landlord Appeal. Of that number none have been willing to lower their rental expectations from the market rent, despite being offered a guaranteed rental income, having no management commitments, and no annual repairs and maintenance liability.

#### New Social Housing Provided as part of New Development through S106 Agreements

3.14 The Housing Team has well established and good working relationships with Housing Association partners operating in the borough. In the next 12 months Zen Housing are expected to advertise 34 new build properties through the Council's lettings site. This is as a result of a new development on the Cottage Farm site in Oadby. These properties will assist in enabling the Council to reduce the number of families in temporary accommodation.

	No of Beds	No of Persons	Post Code	Forecast Handover
Affordable Rent	2	3	LE2 4WA	31/03/2025
Affordable Rent	2	3	LE2 4WA	31/03/2025
Affordable Rent	2	3	LE2 4WA	31/03/2025
Affordable Rent	2	3	LE2 4WA	31/03/2025
Affordable Rent	2	4	LE2 4WA	30/04/2025
Affordable Rent	2	4	LE2 4WA	30/04/2025
Affordable Rent	3	5	LE2 4WA	30/04/2025
Affordable Rent	2	4	LE2 4WA	30/04/2025
Affordable Rent	2	4	LE2 4WA	30/04/2025
Affordable Rent	3	5	LE2 4WA	30/04/2025
Shared Ownership	3	5	LE2 4WA	30/05/2025
Shared Ownership	3	5	LE2 4WA	30/05/2025
Shared Ownership	3	5	LE2 4WA	30/05/2025
Affordable Rent	2	3	LE2 4WF	30/06/2025
Affordable Rent	2	3	LE2 4WF	30/06/2025
Affordable Rent	2	4	LE2 4WF	31/07/2025
Affordable Rent	2	4	LE2 4WF	31/07/2025
Affordable Rent	2	4	LE2 4WF	31/07/2025
Affordable Rent	3	5	LE2 4WF	31/07/2025
Affordable Rent	3	5	LE2 4WF	31/07/2025
Affordable Rent	3	5	LE2 4WF	31/07/2025
Affordable Rent	3	5	LE2 4WF	31/07/2025
Affordable Rent	3	5	LE2 4WH	29/08/2025
Affordable Rent	3	5	LE2 4WH	29/08/2025
Affordable Rent	3	5	LE2 4WH	29/08/2025
Affordable Rent	3	5	LE2 4WH	29/08/2025
Affordable Rent	3	5	LE2 4WF	29/08/2025

Affordable Rent	2	4	LE2 4WF	29/08/2025
Shared Ownership	2	4	LE2 4WF	30/09/2025
Shared Ownership	2	4	LE2 4WF	30/09/2025
Affordable Rent	3	5	LE2 4WF	30/09/2025
Affordable Rent	3	5	LE2 4WH	Summer 2026
Affordable Rent	3	5	LE2 4WH	Summer 2026
Affordable Rent	3	5	LE2 4WH	Summer 2026
Affordable Rent	3	5	LE2 4WH	Summer 2026
Affordable Rent	3	5	LE2 4WH	Summer 2026
Affordable Rent	3	5	LE2 4WH	Summer 2026
Affordable Rent	3	5	LE2 4WH	Summer 2026
Affordable Rent	3	5	LE2 4WH	Summer 2026
Shared Ownership	2	4	LE2 4WH	Summer 2026
Shared Ownership	2	4	LE2 4WH	Summer 2026

**Table 4**

### Purchasing Properties/ Spending Right to Buy Receipts

3.15 The Council is working to increase the housing stock by using 'Right to Buy' receipts. In the last 12 months the Council has or is in the process of buying 4 properties

- 1x2-bed bungalow (Purchased)
- 2x1-bed flats (Purchased)
- 1x2-bed house (In Progress)

It is anticipated that further purchases will be made in the next 12 months. This adds to the two properties that were purchased in 2023 also through the use of Right to Buy receipts.

### Local Authority Housing Fund

3.16 Following the submission of an Expression of Interest in January 2025, the Council has been allocated a grant of £508K through the Local Authority Housing Fund which is intended to support councils in providing additional temporary accommodation and resettlement properties. Although less than the amount that we requested, the grant awarded will enable the council to purchase 4 properties (3 temporary accommodation and 1 resettlement) in 25/26 that we can allocate to families currently placed in B&B accommodation.

### Reassessing use and designation of our stock

3.17 To help reduce the need for bed and breakfast accommodation, Housing Officers will carry out assessments on all vacant Council properties as to whether the property is

- Advertised for let  
or
- Directly offered to a Priority Need applicant who is in Interim (Emergency Accommodation)
- Redesignated as Temporary Accommodation to accommodate families in Interim (Emergency Accommodation)

3.18 The Council has ended its arrangement to use the 2-bedroom flat on Boulter Crescent as a community facility. Due to the severe accommodation shortage, Housing Officers have identified the Boulter Crescent flat as being suitable to bring back into the housing stock as accommodation. Officers from the Council are currently providing advice and support in relocating the community group.

### Emergency and Temporary Accommodation Officer

3.19 We have used our Homeless Prevention Grant to secure funding for a new Emergency and Temporary Accommodation Officer which is currently being recruited. Given the high level of caseloads being dealt with by the Housing Options Team, this post will be able to pick up work associated with ensuring applicants are complying with the terms of their temporary accommodation licence; ensuring that service charges and accommodation costs are paid in a timely manner; and ensuring that households adhere to their personal housing plans including supporting them in moving on from their temporary accommodation to more settled accommodation. The role will also be tasked with collecting approximately £87K in service charges, and where the service charge is not collected appropriate notice will be served and acted on so to end the duty to accommodate.