

**Ministry for Housing, Communities and Local
Government's (MHCLG) Private Rented Sector Access
Fund & Future Homelessness Funding Rounds**

Report of the Housing and Environmental Health Portfolio Holder

Recommended:

- 1. That the receipt of MHCLG funding and the conditions attached to it as set out in the Annex be noted.**
- 2. That the Head of Housing and Environmental Health be authorised to deliver the joint project as set out in paragraphs 2.4 and 2.5 of the report including incurring expenditure from the MHCLG bid fund not exceeding £74,000.00 for the purposes of recruitment to the posts of Landlord Liaison Officer and Tenancy Liaison Officer on 12 month fixed term contracts.**

Recommended to Council:

- 3. That monies received from this and any future successful bids be transferred to the Homelessness Reserve, and the Head of Housing & Environmental Health, in consultation with the Housing & Environmental Health Portfolio Holder and the Head of Finance, be given delegated authority to draw from this reserve to deliver specific projects where funding is awarded by MHCLG for this purpose.**

SUMMARY:

- Test Valley Borough Council has been successful in securing £177K to deliver a project aimed at improving access to the Private Rented Sector (PRS) across Test Valley and Winchester.
- Test Valley Borough Council is the lead authority and will manage the project.
- This report sets out the content of the successful bid and MHCLG expectations associated with the funding.
- Test Valley Borough Council has signed up to a Memorandum of Understanding with MHCLG as part of the funding award.
- MHCLG funding rounds are generally accompanied by challenging deadlines, and require rapid mobilisation and delivery following funding awards.
- To ensure Test Valley Borough Council is well placed in the future to respond to these opportunities and to deliver associated projects, Cabinet is being asked to consider recommendations that will not only facilitate the delivery of the PRS Access Fund Project, but that will ensure internal processes can accommodate rapid mobilisation of new funding achieved in this context.

1 Introduction

- 1.1 In October 2018, the MHCLG set out a prospectus inviting bids from local authorities who wanted to secure a share of a £20M “Private Rented Sector Access Fund” to fund schemes that will enable better access and sustainment of tenancies for people who are, or are at risk of becoming, homeless. The prospectus suggested preference would be given to bids that included more than 1 local authority.
- 1.2 This targeted fund recognises that some people experience difficulties in accessing and sustaining private rented sector tenancies, particularly those on low incomes. This can lead people to become homeless, or remain in temporary accommodation. The private rented sector plays an important role in offering a route out of homelessness and rough sleeping, and is a vital part of delivering a range of housing options at a local level.

2 Background

- 2.1 The Council, along with colleagues at Winchester City Council, agreed to bid for funds to deliver a joint project across the 2 areas, with Test Valley being the lead authority. The bid was successful and the MHCLG has awarded the Council £177,000 from the PRS Access Fund to deliver the project across the two local authority areas.
- 2.2 This funding will be delivered in two tranches. The first tranche (£115k) was received at the end of March 2019. The Council will receive the second tranche (£62k) in 2019/20 dependent upon performance in year 1 of the project.
- 2.3 Temporary posts forming part of the project will be created within Test Valley Borough Council’s Housing Service to work across both Test Valley and Winchester areas.
- 2.4 The bid outlined that in addition to the pre-existing work in both Test Valley and Winchester, the proposed scheme would:
 - As an umbrella term for various initiatives, launch “local lettings agency” models, including:
 - Deliver dedicated landlord/dedicated tenant support.
 - Provide “tenant-finder”/ “landlord-finder” handholding services.
 - Provide landlord/tenant hotlines, and dedicated email hotline.
 - Provide standard agreements, inventories, check-in/check-out visits, plus periodic tenancy MOTs.
 - Indemnify landlords with bonds while retaining capacity to offer deposits.
 - Mediate in disputes.
 - Bring health, safety and licensing expertise into the local landlord offer.
 - Promote energy efficiency.
 - Provide bespoke HMO service including supporting landlords considering HMO options for empty properties.
 - Create bi-annual landlord steering groups and the same for tenants.

APPENDIX B

- Provide PRS advertising through Hampshire Home Choice sub-regional Choice Based Lettings.
 - Provide basic repairs/maintenance for landlords accommodating people in receipt of Universal Credit.
 - Work directly with DWP to trouble-shoot Universal Credit/employment issues.
 - Incentivise longer tenancies for households moving out of temporary accommodation (minimum 12 months, cash incentive for 24).
 - More effective use of PRS to end Part 7 homelessness duties.
 - Deliver direct pre-tenancy training and support for vulnerable single people.
 - Dedicated “arrears scheme” providing interest free loans to PRS tenants at risk.
 - PRS support for all customers regardless of duty.
 - Actively encourage PRS landlords and their agents to contact the Councils *before* serving NTQ.
 - Build on launch to incorporate PRS move-on from supported housing for former rough sleepers.
 - Explore linking the scheme to the TVBC housing company.
- 2.5 The dedicated landlord and dedicated tenant support will be delivered through the creation of 2 posts; Landlord Liaison Officer and Tenancy Liaison Officer respectively. These roles will be full-time and employed by Test Valley Borough Council (as lead authority) to work across both boroughs.
- 2.6 The “local letting agency” reference will become a catch all to encompass a range of work with landlords and tenants, and in the interests of meeting local housing need. Various elements associated with the bid have been costed and with the total MHCLG funding delivering them. The Council also committed to match funding in the bid. This match funding reflects the Council’s approach to Housing Options, making the outgoing developmental pilot “business as usual”, as considered and approved by Cabinet in March.
- 2.7 Some elements of the bid require working up further and a significant amount of set up work is required to get processes in place.
- 2.8 This report is also considering the broader implications of the Council’s involvement in future MHCLG funding opportunities, and makes recommendations to facilitate rapid mobilisation. This is intended to support Test Valley in future, to put forward ambitious bids and deliver quickly on those that may be successful, without associated delays that may otherwise impact delivery, in the event that appropriate delegations were not already in place.
- 3 Corporate Objectives and Priorities**
- 3.1 Preventing and tackling homelessness is a priority for Test Valley Borough Council.

APPENDIX B

- 3.2 The emerging priorities for the Council, as part of the development of a new Corporate Plan, continue to emphasise the importance of supporting vulnerable people and helping people to secure settled homes. This has been borne out through resident consultation and will remain one of a core set of priorities for the Council when looking to the future.
- 3.3 The recent transformation in Test Valley's approach to preventing and relieving homelessness, dovetails with these ambitions.
- 3.4 Housing and homelessness remain at the top of the national policy agenda, with a new national Rough Sleeping Strategy published in August 2018 and an ongoing emphasis on the importance of preventing homelessness and the role of local authorities in leading their communities to effectively deal with homelessness pressures.
- 3.5 This targeted fund sits alongside other work the Council is committed to in the Preventing Homelessness and Rough Sleeping Strategy, in order to tackle homelessness and rough sleeping and ensure vulnerable people receive the support they need to navigate housing options at a local level.

4 Consultations/Communications

- 4.1 The Housing Team hosts a twice yearly Private Landlords and Letting Agents Forum (PLLAF) which is well attended with over 60 private landlords and letting agencies attending. At the last PLLAF we engaged with our private sector landlords and discussed ways in which the Council could increase access to accommodation for our customers. This included incentives, our offer to landlords and tenants, and informed the bid to the MHCLG for Private Rented Sector Access funding.
- 4.2 The Council has consulted with colleagues at Winchester City Council in the preparation and submission of this bid.

5 Outcomes

- 5.1 The project will improve the local offer for both PRS landlords and their tenants, in the interests of preventing and relieving homelessness, including developing a 'local letting agency model' in both Test Valley and Winchester.
- 5.2 Local authorities were required to include performance data relating to how many households they would assist through the various elements of the scheme, both through preventing or relieving homelessness, and in the context of moving households on or preventing them going into, temporary accommodation. As part of the government's rough sleeping strategy, the bid also required local authorities to set out the number of single people who would be supported.
- 5.3 For Test Valley and Winchester, we have proposed that the total number of households supported through the scheme will be an indicative 285, with 115 households prevented or relieved from homelessness (and within that, 63 single people approximately will be helped).

APPENDIX B

- 5.4 We have also estimated an indicative minimum of 70 households will be moved on from temporary accommodation.
- 5.5 The recommendations of this report also seek to ensure the Council is well placed to submit ambitious bids for future funding, and to ensure the relevant delegations are in place to enable urgent delivery to meet MHCLG expectations.

6 Risk Management

- 6.1 An evaluation of the risks indicate that the existing controls in place mean that no significant risks have been identified at this time.

7 Resource Implications

- 7.1 The Council has been allocated £177k funding from the MHCLG Private Rented Sector Access Fund. This is ring fenced for the purpose of enabling better access and sustainment of tenancies in the private rented sector for people who are, or who are at risk of, becoming homeless. The proposed scheme can be delivered using MHCLG Private Rented Sector Access Funding and existing budgets in Test Valley and Winchester Housing Services.
- 7.2 The bid also commits to recycling elements of the scheme where possible to ensure the MHCLG funding benefits as many households as possible. Any savings achieved through the funding will also be reinvested in the scheme.
- 7.3 Receipt of the second tranche of funding (£62k) is dependent upon performance in year 1 of the project.
- 7.4 The recommendations contained in this report include delegations to ensure that the Council can respond quickly to future funding opportunities and deliver rapidly mobilised projects in the event that bids may be successful.
- 7.5 The Council's budgetary framework is designed to prevent expenditure being incurred where no authorised budget exists, and funding achieved from MHCLG homelessness bid rounds sits outside this framework and may only be spent in scope of the intended purpose, in accordance with MHCLG requirements.
- 7.6 The report recommends that all monies received from successful bids are transferred to the Homelessness Reserve with delegated authority to draw from this earmarked reserve as may be necessary to deliver projects where funding is awarded by MHCLG for the purposes of delivering specific projects.
- 7.7 **Legal Implications**
- 7.8 The Council has statutory duties to assist those who are homeless or threatened with homelessness and must comply with the Homelessness Reduction Act 2017. This funding will assist the Council to discharge its main homelessness duties with Private Rented Sector Offers.

8 Equality Issues

- 8.1 An Equalities Impact Assessment (EQIA) has been completed with regard to the Homelessness Reduction Act and Future of the Developmental Pilot Report to Cabinet on 13 March 2019. The EQIA identified a potential for discrimination or adverse impact around social inclusion and this funding will support the Council's new way of working and all opportunities to promote equality are being taken.

9 Other Issues

- 9.1 Community Safety - None
- 9.2 Environmental Health Issues - None
- 9.3 Sustainability and Addressing a Changing Climate - None
- 9.4 Property Issues – None
- 9.5 Wards/Communities Affected – None

10 Conclusion and reasons for recommendation

- 10.1 The Council has successfully secured additional resources for local residents in need in both Test Valley and Winchester Council areas.
- 10.2 The Private Rented Sector Access Fund project must now be delivered and this report and associated recommendations will facilitate mobilisation and delivery.
- 10.3 The recommendations in this report will support the Council to meet its legal duties to prevent and relieve homelessness, and further builds on the Council's recent innovations in the way it delivers services to people who are homeless or at risk of homelessness.
- 10.4 MHCLG funding rounds require urgent participation and rapid mobilisation. This report provides detail associated with a specific project yet its recommendations seek to ensure that the Council is well placed to submit further ambitious funding bids and to deliver on those bids in future, by ensuring the right delegated power is in place.

APPENDIX B

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
None			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	1	File Ref:	N/A
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Report to:	Cabinet	Date:	17 April 2019