

Please feed the following comments in to the budget proposal consultation:

Homelessness Prevention grant (£85K):

The repercussions of the homeless prevention grant not being put to use preventing homelessness will have a devastating effect on the service we are able to deliver. As discussed and demonstrated previously through the cost effectiveness of homeless prevention exercise (which was conducted last year for a relatively small expenditure we are able to save the council nearly half a million pounds. Clearly if in future this opportunity to prevent homelessness is missed the financial implications for the council could be enormous.

The City Council has a statutory duty to investigate all cases of homeless and in certain circumstances this may necessitate the provision of some form of temporary accommodation. During the previous financial year alone, Carlisle City Council prevented 112 cases of homelessness, this would not have been possible without the prevention fund and very probably would have meant that the City Council would have had to provide some accommodation for the applicant and in turn refer to the relevant housing associations. This would obviously had financial implications for the council in providing this accommodation as well as over-burdening the already limited social housing market in Carlisle.

Under the new Localism Bill there are several aspects which are particularly pertinent to the Homeless Section, firstly:

Clauses 124-125 amend the Housing Act 1996. People who experience a homelessness crisis need somewhere suitable to live, but do not necessarily need social housing. Under the current legislation they can insist on being provided with expensive temporary accommodation, at taxpayer's expense, until social housing becomes available. Around 70 per cent of homelessness duties are ended with an offer of social housing - which results in around 20 per cent of social lets being allocated to people owed the homelessness duty, at the expense of other people in need on the housing waiting list.

The Bill will give local authorities the flexibility to bring the homelessness duty to an end with an offer of suitable accommodation in the private rented sector without requiring the household's agreement. There will be safeguards: as now, an offer of private sector housing will only bring the duty to an end if the accommodation is suitable for the whole household. The private sector tenancy would need to be for a minimum fixed term of 12 months, and the duty would recur if, within 2 years, the applicant becomes homeless again through no fault of his or her own (and continues to be eligible for assistance).

Currently, in Carlisle, we have great difficulty in identifying private landlords who are prepared to accept applicants who are in receipt of housing benefit (I would imagine this small pool of landlords will be reduced further when the Housing Benefit reforms come into force in April). Without some form of incentive (e.g. the rent deposit scheme, which is currently funded through the homeless prevention grant) from the City Council, I would

imagine that the opportunity of securing some form of accommodation in the private rented sector would be almost non-existent.

In addition to this, and worth bearing in mind, is that the Localism Bill goes on to say:

Over the past 13 years the number of people on waiting lists has almost doubled, to five million. This has been caused, Ministers argue, by the current centrally-determined rules. Ministers believe that the current rules to allocate social homes are unfair and, despite £17 billion of spending on social housing over the last 13 years, have left nearly twice as many people on waiting lists. A quarter of a million social homes remain overcrowded, and more than 400,000 under-occupied.

Clearly there is a drive to try and reduce the number of people on the social housing waiting lists and it appears that the suggested method of doing this is to try and encourage more people into the private rented sector or into owner occupying. Hopefully the low cost housing scheme would cater for those who are wanting to get on the property ladder, however the vast majority of people who present as homeless would not be eligible for the scheme, so their options are either private renting or social housing, as I said previously these are both dwindling resources in Carlisle.

£80K capital programme (identified to replace the loss of the regional housing money): £30K of this money should be earmarked and used as part of the refurbishments being carried out at John Street Hostel currently. The hostel is being upgraded and will be open again on 4th April. The costs of specialist robust furniture will cost an estimated £1500 per room – currently there is no alternative source of money for the additional expenditure and the furniture costs are not part of the overall development budget. Therefore in order to open in April and let the rooms immediately which will reduce our expenditure in B&B and maximise income we need to purchase the furniture before April and therefore require the money to be available now. As stated above we have a statutory responsibility to place people in temporary accommodation whilst Homelessness investigations are being carried out and permanent accommodation options sourced.