

Norwich City Council
SCRUTINY COMMITTEE
ITEM 6

REPORT for meeting to be held on 19 November 2020

Maximising opportunities to achieve zero rough sleeping following Covid-19.

Summary:

The government request to house people sleeping rough on grounds of public health, together with necessary funding, allowed the city council to achieve significant and positive outcomes very quickly. The close relationship with housing charities, multi-agency working which has achieved success through Pathways Norwich, and other interventions during the pandemic, placed Norwich in a strong position. With the risk of significant rises in homelessness due to the forecast recession, removal of Section 21 notice bans on evictions and the ending of the furlough scheme in late summer has created the “perfect storm” to drive homelessness and potential rough sleeping should be anticipated. Securing support from other statutory agencies with responsibility for this will be vital to future interventions in this area.

Conclusions:

Rough sleeping

Incidences of people sleeping rough in Norwich is likely to continue for the foreseeable future. We have a strong record in getting people off the streets quickly by providing specialist services and accommodation in response to this need. We now have more emergency accommodations available than ever before. We have a high prevalence of people with multiple and complex needs in Norwich. In order to meet these needs we need more preventative services to stem the flow onto the streets; coupled with this, we need to see a continuing commitment from our local statutory partners to enable the development and protection of services. National Government needs to provide an ongoing financial commitment to end rough sleeping by funding local authorities at appropriate levels so we can bring about lasting change.

There is a likelihood that if we see increasing numbers of people sleeping rough because of Covid-19 related issues that this cohort will need a different offer to what is available, for example: around employability and debt related issues, as well as affordable housing options as opposed to our current cohort of people who have specialist support needs.

Private rented sector and social economic factors

It is very likely that as government support for people who are furloughed is reduced or removed that we will see increased numbers of people in receipt of welfare payments. This may be tempered depending on the speed of our economic recovery from the pandemic. Any further cuts to welfare spending is likely to cause significant hardship to people in Norwich with the recent increase and uptake of Universal Credit.

Recommendation: Rough sleeping

- Carry out a refresh in January 2021 of our Norwich tackling rough sleeper strategy 2017-22 to measure progress and inform further development of services that may be required due to Covid-19 related issues.

Private rented sector

- We will utilise as much as possible our discretionary housing payments to help people in the private rented sector stay in their homes.
- We have a wide range of housing options available to people who present to us: Homelessness prevention fund, Let NCC and our housing register.
- We recruited additional staff to work with private sector landlords to prevent and reduce homelessness presentations.
- We are looking to bring more private landlords on to our private sector leasing scheme, Let NCC.

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1. Norwich and the ‘Everyone in’ initiative

- 1.1** In response to the governments call to get ‘Everyone in’ letter dated 23 March 2020. Norwich City Council made plans to house people at risk or where sleeping rough on our streets. During the period 23 March to 31 July 2020 we helped 117 people.

Of the 117:

- We provided emergency accommodation to 82 people.
- 3 people were re-connected back to their local authority, into accommodation.
- 32 people were offered direct access hostel placement due to availability of the hostel at the time and demand and 1 bed was funded through the Ministry of Justice.

Of the 117 people who were provided accommodation (as set out above), 101 have been supported to move into alternative and more sustainable accommodation. A small number of individuals from the initial ‘everybody in scheme’ remain in emergency accommodation.

No persons sleeping rough declined an offer of emergency accommodation. Whilst initially one or two found it difficult to adjust and returned to sleeping on the street at times, all initially accepted and started to use the beds.

- 1.2** During and after the above period we continue to see people flow on to our streets. The reason for the continual flow of people can be summarised as follows:

- Lack of support and preventative services available in Norfolk and other parts of the country
- Evictions and abandonments from supported housing (often due to complex needs leading to anti-social behaviour)
- Relationship breakdown
- Relaxing of lockdown in other areas has made it easier for people to be more mobile again
- People leaving institutions such as prison, hospitals and custody
- Many people have been homeless for extended periods; sometimes years or decades since they last had settled housing

- 1.3** Numbers of people seen sleeping out were lower initially following 31 July 2020 as the following table shows but soon numbers started to climb:

Table 1

| Measure | Aug 20 | Sept 20 |
|---------------------------------|----------------|-----------------|
| Individuals seen sleeping rough | 19 (5 unknown) | 34 (14 unknown) |
| Local connection Norwich/Other | 7/7 | 14/6 |
| | | |
| Of the known people: | | |
| New to sleeping rough | 7 | 6 |
| Returner | 3 | 3 |
| Already housed | 2 | 6 |
| Entrenched | 2 | 5 |

1.4 Successful funding bid to Next Steps Accommodation Programme (NSAP)

The government in July 2020 released their funding prospectus in response to their call to get all rough sleepers in during the Covid-19 crisis. The overall objectives of NSAP are:

- Reduce rough sleeping and no return to it
- As Covid-19 continues rough sleepers are kept safe where they can self-isolate
- Provide long term housing for rough sleepers

Proposals were co-designed with our Rough sleeper adviser from MHCLG and had the following:

- Assessment of health/care and support needs of all the people we have accommodated during the crisis
- Focus on all rough sleepers including those people who are long term repeat cases
- Identified how support services are necessary beyond what is currently in place

1.5 In response to our bid the council were successful in receiving £1.4m in funding to provide the following:

- Partner with Broadland Housing Association to purchase ten homes on the open market for former rough sleepers and build 6 new homes on council owned land
- 3 years of revenue funding to provide intensive support to people housed in the above homes
- Pay for a part-time role to co-ordinate indoor food

- provision seven days a week in the City Centre
- Provide emergency accommodation options for people during the winter and spring with access to rent deposits and other associated costs in setting up their home
- Funding to help people reconnect with accommodation and support networks in their home areas.

1.6 It is our understanding that there will be further opportunities to place bids for the Next Steps Accommodation Programme over the next two years; to either build, or purchase more homes for people who have been rough sleeping with revenue funding to provide intensive support.

1.7 Norwich tackling rough sleeper strategy 2017-22

In December 2017 Norwich City Council launched its strategy to reduce rough sleeping to as close to zero as possible. The strategy set out the following objectives:

| Nos | Priority | Activity |
|------------|---|--|
| 1. | Reduce the number of rough sleepers on our streets and develop interventions to stop it happening in the first place. | <p>Undertook a health needs audit to inform commissioning.</p> <p>Developing housing first on a larger scale with three individual projects to deliver 39 homes this year with intensive support.</p> <p>Developed a tenancy deposit scheme for people with no recourse to public funds.</p> <p>Grant commissioned Pathways Norwich to help deliver a wide variety of services.</p> <p>Introduced a criminal justice homelessness prevention protocol in October 2019.</p> <p>In the first two years of Pathways Norwich the service has prevented approximately 478</p> |

| Nos | Priority | Activity |
|-----|--|---|
| | | incidences of people sleeping rough and verified 628 incidences of people sleeping rough. 410 of the 628 were moved into supported housing. |
| 2. | Develop an assertive outreach model | <p>We recently commissioned two drug and alcohol outreach workers.</p> <p>Developed specialist multi-disciplinary meetings to case manage individuals.</p> <p>We carry out comprehensive assessments of people's needs appointing a named worker specifically targeting those with complex needs.</p> |
| 3. | Make the best use of our supported housing system to help move people away from homelessness for good. | <p>We now have specialist resettlement and floating support workers tasked with helping people transition into independent housing.</p> <p>We now have a dry house and detox facility with onsite support.</p> <p>We are in the process of reviewing our hostel move on agreement later this year to provide quicker access to housing.</p> |

2. Covid-19: Social and economic factors

Dame Louise Casey (former leader of the government's emergency programme to tackle rough sleeping) recently stated that, "The country is

on course for a “perfect storm of awfulness, hungry children and poor families unable to cope unless the government rethinks its support for the most vulnerable.”¹

2.1 Claimant count unemployment rate

| Table 2 Claimant count unemployment rate² | | | | | | | | |
|---|-----------------------|------|--------------------|------|-----------------------|------|-----------------------|----------------------|
| | September 2019 | | August 2020 | | September 2020 | | Monthly change | Annual change |
| Gt. Britain | 1,135,235 | 2.8% | 2,625,750 | 6.5% | 2,646,960 | 6.5% | 0 | + 3.7% |
| East of England | 80,070 | 2.1% | 213,715 | 5.6% | 214,905 | 5.7% | + 0.1% | + 3.6% |
| New Anglia LEP | 21,305 | 2.2% | 51,335 | 5.3% | 51,240 | 5.3% | 0 | + 3.1% |
| Norwich City Councilⁱ | 2,900 | 3.0% | 6,470 | 6.8% | 6,585 | 6.9% | + 0.1% | + 3.9% |
| Norwich urban area | 3,330 | 2.6% | 7,855 | 6.1% | 7,950 | 6.2% | + 0.1% | + 3.6% |

“Table 2 shows that the claimant count unemployment rates have grown strongly compared to the same time last year; the number of people claiming unemployment benefits has seen at least a twofold increase across each of the reported areas. Over the month of September, the region and both Norwich areas have seen a small increase in unemployment rates; nationally and across the LEP area rates were unchanged. Unemployment growth is likely to have been tempered by the Government’s temporary furlough job subsidy scheme which comes to an end in October. The magnitude of the increase in unemployment will depend not only on the strength of the economic recovery but also on whether furloughed workers will be fully absorbed back into the workforce.”³

Since the Norwich economic barometer was published in September the government have announced that they will extend the current furlough scheme. The same issue arises (as mentioned above) whether these furloughed workers will be still in employment when the scheme finally comes to an end.

2.2 Planned cuts to Universal Credit in April 2021

The planned cuts to Universal Credit in April 2021 have the potential to make people’s lives much harder (if they take place) especially with the increase in the number of claimants due to the pandemic. The cuts will “result in a big impact on incomes due to the relatively low replacement rates of Universal

¹ <https://www.theguardian.com/world/2020/nov/01/louise-casey-britain-is-facing-perfect-storm-of-awfulness-warns-welfare-expert> Accessed on 03/11/20.

² Page 11, Norwich economic barometer September 2020.

³ Ibid.

Credit. For example, the median single worker without children who was furloughed under the Job Retention Scheme during the crisis would have had an income replacement rate of 83 per cent. If they now become unemployed that replacement rate falls to 30 per cent. And with next April's cut to Universal Credit that falls even further to 23 per cent – so losing their job would mean losing over three-quarters of their income.”⁴

The head of the CBI Carolyn Fairbairn have also called out the government's planned cuts as unfair, “There are going to be some people who have been kept in work through variations of the job support scheme, and others who are not so lucky. The gap between those two positions should not be so great.”⁵

Since the pandemic began, Norwich along with other areas of the country has seen significant numbers of people make claims for Universal Credit; coupled with the migration of legacy benefit claims such as Job Seekers Allowance. The following table shows the number of people claiming Universal Credit in Norwich compared to the Eastern region and England:

Table 3⁶

| Area | September 2019 | September 2020 | % increase |
|-----------------|----------------|----------------|------------|
| Norwich | 5426 | 14060 | 159% |
| East of England | 188888 | 476038 | 152% |
| England | 2107176 | 4934260 | 134% |

4. Evictions in the private rented sector

4.1 In Norwich the private rented sector makes up an estimated 23% of all dwellings, as the following table shows:

Table 4

| Tenure | Estimated number of dwellings ⁷ | % of total |
|-----------------|--|------------|
| Owner occupiers | 28,327 | 44.54 |
| PRS | 14,727 | 23.15 |
| Social rent | 20,536 | 32.29 |
| Total | 63,590 | |

⁴ <https://www.resolutionfoundation.org/publications/death-by-1000-cuts/> Accessed on 03/11/20.

⁵ <https://www.theguardian.com/world/2020/nov/01/louise-casey-britain-is-facing-perfect-storm-of-awfulness-warns-welfare-expert> Accessed on 03/11/20.

⁶ Source: DWP Stat Xplorer, <https://stat-xplore.dwp.gov.uk/webapi/jsf/login.xhtml> Accessed on 03/11/20. Figures are a count of the number of people on UC on the second Thursday of each month.

⁷ Ibid.

4.2 Recent research conducted by the Resolution Foundation⁸ found renters have been more adversely affected by the pandemic than any other housing tenure. At the start of the pandemic their research found that earnings falls were felt across all housing tenures at the start of the pandemic. “Both private and social renters are now more than twice as likely than mortgagors to have lost their job (8 per cent of private renters and 7 per cent of social renters, compared to 3 per cent of mortgagors), a finding that is consistent with recent work showing younger and lower paid workers (who are more likely to be renters) are bearing the brunt of the COVID-19 jobs crisis.

4.3 Research has also found that renters are more likely to be furloughed than someone living in a mortgaged home (10 per cent of social renters and 9 per cent of private renters, compared to 6 per cent of mortgagors). Private renters have reported that nearly one in eight (12 per cent) are unable to cover their rent in full compared to 7 per cent of mortgagors and 17 per cent of social renters.

4.4 **Protection from eviction ended September 2020**

The government in September 2020 announced the ending of the ban of evictions (due to the pandemic) with the requirement that landlords must give tenants in arrears six months’ notice of repossession. It is anticipated that nationally around 200,000 private renters could face eviction in the UK over the next year.⁹

4.5 **Recommendations to protect renters**

National housing charity Shelter have made a number of recommendations to government to help renters get through the current pandemic and housing crisis:

- Create a Coronavirus Renters Relief Fund to help private renters pay off ‘Covid rent arrears’.
- Lift the benefit cap to protect renters now and prevent a rising tide of homelessness.
- Make sure that the local housing allowance (LHA) remains, at the very least, aligned with the 30th percentile of local market rents and conduct an urgent review to make sure that LHA is enough to cover the rents of all those who need it.
- Build much more social housing to create much needed jobs and provide the genuinely affordable, secure homes we so desperately need.

4.6 **Conclusion**

⁸ Page 2, Coping with housing costs, six months on...Resolution Foundation (31 October 2020).

⁹ Ibid.

In conclusion, before the pandemic hit there were existing social and economic problems that already existed. The pandemic has made these problems even more pressing and self-evident.

Rough sleeping

- We have a significant amount of emergency accommodation (40 more beds than last year) over the winter and spring period to house rough sleepers.
- We are developing housing first with 13 tenancies now with a further 26 homes available by the end of the financial year.
- We are planning to create more housing first homes in the future.
- The formation of a Norfolk strategic partnership around homelessness will provide a forum to develop ideas and services with statutory and voluntary sector partners.
- We look to continue to develop the services that Pathways Norwich provides.

Private rented sector

- We have a strong record of preventing homelessness (80% of people presenting as threatened with homelessness are prevented)
- We have a nationally recognised Gold standard housing options service.
- We will utilise as much as possible our discretionary housing payments to help people in the private rented sector stay in their homes.
- We have a wide range of housing options available to people who present to us: Homelessness prevention fund, Let NCC and our housing register.
- We have recruited additional staff to work with private sector landlords to prevent and reduce homelessness presentations.
- We are looking to bring more private landlords on to our private sector leasing scheme, Let NCC.

¹ The Norwich City council area comprises the following wards: Bowthorpe, Catton Grove, Crome, Eaton, Lakenham, Mancroft, Mile Cross, Nelson, Sewell, Thorpe Hamlet, Town Close, University, Wensum