

## PFH for Housing

### Financial Summary 2019/20 and year to date 2020/21

#### Housing General Fund 2019/20

Overall, the Housing General Fund budget balanced with in-year mitigation

As a result of the implementation of the Homelessness Reduction Act in April 2018 and the changes to eligibility criteria for services, the Council's Housing Solutions service continued to receive increasing numbers of households presenting as homeless or at risk of homelessness throughout 2019-20.

#### Housing revenue account (HRA) 2019/20

The HRA was successful in year in maintaining the overall financial outturn, and the level of general reserves in line with the HRA business plan.

Throughout the service, expenditure was contained within the budgeted level, but there were some pressures as a result of additional, essential electrical testing works carried out as part of the repairs and maintenance programme for the year.

These were mitigated by staff vacancies which were managed throughout the year.

Rental income exceeded expectation, and as in previous years this was used, in part to offset a requirement to increase bad debt provision arising from an increase in tenant arrears due to roll out of Universal Credit and reduction of direct Housing Benefit payments.

#### 2020/21 Forecast Outturn

##### Housing General Fund

Service	Revised budget	Adjusted forecast	Reported month 5 variance
	£'000's	£'000's	£'000's
Homelessness	1,387	1,387	0
Private Sector Housing	212	212	0
Travellers	53	53	0
<b>Total</b>	<b>1,652</b>	<b>1,652</b>	<b>0</b>

#### Homelessness

Whilst the first two periods of the 2020/21 financial year showed some stability in the number of people presenting themselves as homeless or at risk of homelessness, this trend is unlikely to continue throughout the remainder of the year.

One of the most common causes of homelessness in Thurrock is as a result of landlords imposing eviction measures in the private rental sector. A national moratorium on eviction proceedings which was implemented by the Government in March 2020 has been extended to April 2021.

56 people in 53 households (consisting of 50 individuals and three couples) were identified as rough sleepers as part of the 'everyone in' initiative, and these have been housed in short-term emergency accommodation since the onset of the COVID-19 pandemic. The average cost for this level of short-term emergency accommodation is in the region of £70 per day.

### Private Sector Housing

The Private Sector Housing service has an income requirement to achieve circa 50% of its overall net costs built into the base budget. One of the key income streams is through the inspections of privately let accommodation. Social distancing measures have led to a restriction in the level of work permitted, which will have a direct detrimental effect on the overall budget position. A claim has been made for the loss of this income, presently £0.096m, against the Government's income compensation scheme.

### Grants and Funding

There is a further expectation that an increase in the caseload of the homelessness service is likely to arise later in the year as the wider economic impacts of the pandemic are felt and protections against eviction change for tenants. A further £1.000m contingency has been factored into the Council's forecast outturn position, to be funded in the main, from the COVID-19 grant allocations.

The below set of tables indicates the amounts of funding which have been allocated and provided for the Housing General Fund Services.

<b>Funding</b>	<b>Amount</b>
<b>Overall Council Allocation of COVID-19 Support Fund</b>	£14,257,000
<b>Allocation to Housing General Fund</b>	£ 2,041,000

<b>Income Loss Compensation Scheme</b>	<b>Amount</b>
<b>Private Sector Housing</b>	£ 97,000

<b>Central Grant Funding</b>	<b>Amount</b>
<b>Cold Weather Fund</b>	£ TBC
<b>Flexible Homelessness Support Grant</b>	£ 512,504

Central Grant Funding	Amount
Homelessness Reduction Grant	£ 195,794
Rough Sleeping Funding	£ 258,674
COVID-19 Response Funding	£ 6,000
Next Steps Accommodation Payment	£ 75,000

### Housing Revenue Account

Service	Revised budget	Budgeted Forecast Outturn	Directorate Outturn Variance
	£'000's	£'000's	£'000's
Housing Development	217	217	0
Financing and Recharges	24,715	24,715	0
Rent and Income	(50,254)	(49,723)	530
Repairs and Maintenance	12,021	12,021	0
Operations and Management	13,300	12,770	(530)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

The COVID-19 pandemic has led to significant challenges for the Rents and Welfare Team in 2020/21. As almost all members of Housing staff continue to work from home, the interactions which would ordinarily have taken place face-to-face through home visits have instead been undertaken by telephone or email.

Despite these initial challenges, the Rents and Welfare Team have surpassed the 92% profiled target for rent collection and have successfully collected 93.35% of rent which was due at the end of September 2020, as well as supporting a large number of tenants through financial inclusion work.

So far in 2020/21, there has been a 21% increase in tenants claiming Universal Credit, increasing from 2,317 tenants in March 2020 to 2,812 tenants at the end of September. Rent arrears for tenants claiming Universal Credit also increased by a margin of 52% alongside a 10.21% reduction in Housing Benefit income against the same period last year.

In order to achieve the above-profile level of rent collection whilst addressing the additional challenges of increased Universal Credit arrears, reduced Housing Benefit income and the possible financial pressures of COVID-19 being experienced by tenants, the Rents and Welfare team have proactively contacted those who would benefit from financial inclusion support and assistance.

At the end of September 2020, Financial Inclusion Officers had supported a total of 668 tenants, representing an increase of 54% compared to the same period in the previous financial year last year. This work has generated an additional income of £174,967, an increase of 35% against the same period in 2019/20.

Financial Inclusion Officers look to maximise the income of tenants by advising and assisting with any claims for benefits which they may be eligible for. This includes elements such as Personal Independence Payments (PIP), Council Tax Support and Discretionary Housing Payments (DHP). Financial Inclusion Officers will also work alongside tenants to explore any other grants which they may be entitled to and can offer food vouchers and assist with clothing, furniture and white goods.

At present, there has been no additional Government funding to support the Housing Revenue Account.