

# Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions

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## HB/CTB A21/2009

### ADJUDICATION AND OPERATIONS CIRCULAR

<b>WHO SHOULD READ</b>	All Housing Benefit (HB) and Council Tax Benefit (CTB) staff
<b>ACTION</b>	For information
<b>SUBJECT</b>	Preventing homelessness due to mortgage and landlord repossession

### Guidance Manual

The information in this circular does not affect the content of the HB/CTB Guidance Manual.

### Queries

If you

- want **extra copies of this circular/copies of previous circulars**, they can be found on the website at <http://www.dwp.gov.uk/local-authority-staff/housing-benefit/user-communications/hbctb-circulars/>
- have any queries about the
  - **technical content of this circular**,  
for HB queries contact  
Email: [HB-CTB.CLAIMSANDPAYMENTS@DWP.GSI.GOV.UK](mailto:HB-CTB.CLAIMSANDPAYMENTS@DWP.GSI.GOV.UK)  
for queries relating to the guide to preventing homelessness contact  
Email: [neil.morland@communities.gsi.gov.uk](mailto:neil.morland@communities.gsi.gov.uk)
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## **Preventing homelessness due to mortgage and landlord repossession**

### **Introduction**

- 1 Due to the effects of the recession tenants and owner occupiers face a greater risk of eviction, repossession and homelessness. Local authorities (LAs) know that any measures that reduce the chances of HB/CTB customers getting into rent or mortgage arrears can lessen this risk.
- 2 This circular contains information that LAs may find useful in raising customer awareness about the types of assistance available to them to avoid getting into rent and mortgage arrears and then having to face evictions and homelessness.

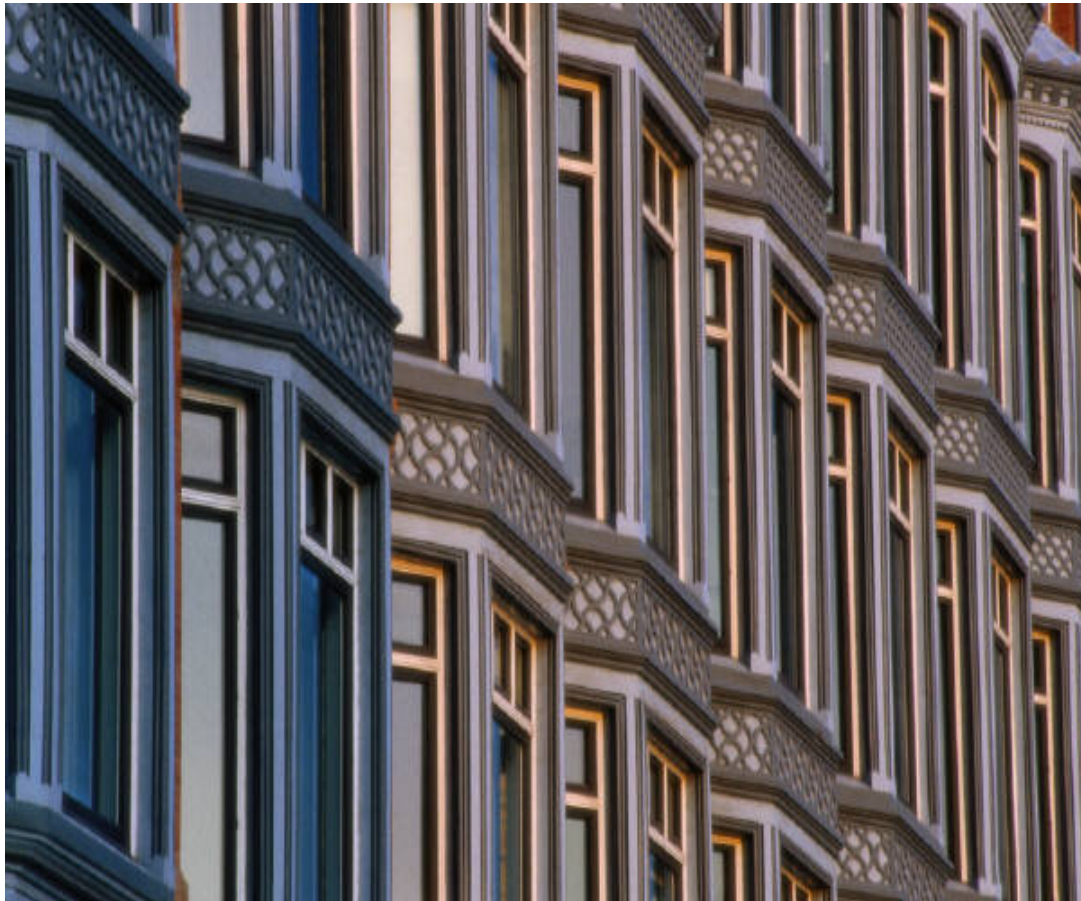
### **Guide to preventing homelessness due to Mortgage and Landlord Repossession**

- 3 Earlier this year Communities and Local Government (CLG) published *The Guide to preventing homelessness due to Mortgage and Landlord Repossession* which is shown at Appendix A of this circular. The guide provides useful information for LAs to use to develop better and closer working relationships between Benefit teams and Housing Departments. The guide
  - gives advice on how joint working between teams can help prevent homelessness
  - provides information for LAs to develop local action plans that identify people in rent or council tax arrears allowing early interventions such as
    - ensuring people receive good benefit advice
    - fast tracking claims from people in arrears
    - sharing information on vulnerable customers with Housing Departments (Housing Options Services)
- 4 This guide has already been issued to Housing Departments. This circular makes the guide more widely available to staff dealing with HB and CTB.

### **Joint actions to prevent homelessness**

- 5 The table at Appendix B contains examples of joint actions that HB teams can adopt to prevent homelessness.

**Short guide from Regional Resource Teams for Local Authorities on how to prevent homelessness due to Mortgage and Landlord Repossession**



April 2009

**This guide should be useful to Local Authority Housing Services and in particular their Housing Options Services. It does not form statutory guidance but is intended to assist local authorities in their work to respond to the risk of increased homelessness from tenants and owner occupiers who may be in financial difficulty due to the recession.**

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**Introduction**

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This short guide considers how local authorities can develop action plans to respond to the housing impacts of the recession where households may be at risk of losing their home.

The Government made £3.7 million available in March 2009 to local authorities to support the development of actions to tackle the threat of repossessions across all tenures. This funding has been distributed through either individual local authorities or to a lead authority within a smaller sub region. To accompany this funding this short guide has been produced for local authorities and has been distributed to Lead Housing Officers and Homelessness service contacts. The guide provides local authorities with practical information and suggests measures that can be taken to prevent homelessness for all those in financial difficulties where this presents a risk of them losing their home.

We would encourage local authorities to build this work into their overall response to tackling the recession. With support from your Communities and Local Government Regional Specialist Homelessness Advisor, local authorities are encouraged to produce a specific action plan for this work stream given its critical importance to combat the impact of the recession. You may wish to develop action plans on an individual or a sub-regional basis.

To help you we will be running a series of regional summits across England during Spring to provide further information to local authorities on how best to prevent homelessness across all tenures due to repossessions. More information will be available about these events soon. As good practice emerges from other local authorities we will circulate examples to you.

Local action can complement and support the ongoing work in Government to mitigate the housing impact. This includes;

- The introduction of the Home-Owner Mortgage Support Scheme
- Delivery of the Mortgage Rescue Scheme
- Enhancements made to Mortgage Support Interest
- Extra funding allocated to provide more advice for tenants and home owners facing repossession in court
- More protection through the courts as result of the Pre-Court Action Protocol
- A public awareness campaign operated through the DirectGov website
- Additional funding to expand the provision of debt advice

The reason for issuing this guide is to encourage local authorities to plan to mitigate the risk of homelessness across all tenures. The effect of the recession will not just be seen in mortgage cases. There is a risk of an increase in the number of people losing their home in the social sector and private rented sector due to evictions for rent arrears caused by debt and loss of income due to unemployment or reduced household income. There may also be an increase in family breakdown cases where tensions increase at home, and increased homelessness due to relationship breakdown.

This short guide sets out clear practical actions that can be taken for tackling these issues. Local authorities are also encouraged to work with housing associations and their local third sector partners. It might also be sensible to develop this work stream sub regionally to enable the pooling of skills and resources.

This paper is divided into two sections. The first section provides contextual information for local authorities to use when developing their local policies to responding to the housing impacts of the recession. The second section sets out a clear framework of practical actions that local authorities are encouraged to implement.

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**Section 1**

**Background contextual Information to help Local Authorities develop local actions to prevent people losing their home as a result of the recession.**

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Given the depth of the recession, the logical conclusion is that more people will approach the local authority seeking housing help. At the same time there are many others who will be affected but may be reluctant to seek help or unaware of the services available. The impact may not be seen immediately in higher levels of homelessness but undoubtedly more people will be in difficulties.

**Mortgage and Landlord Repossessions**

Repossession activity in the Courts increased during 2008. However the levels of increased business going on in County Courts differed across the Country.

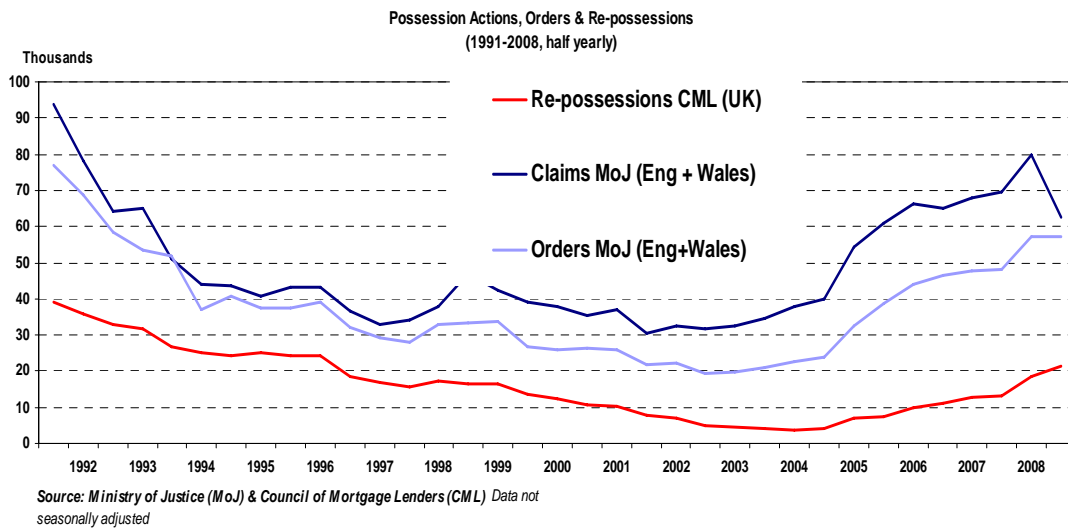
Mortgage repossession claims issued rose by 4% up to 142,626 across the country, the highest levels seen since 1992. Mortgage repossession orders also went up, to 114,296, an increase of 19%, the highest levels since 1992. From data released by the Council of Mortgage Lenders, properties taken into repossession went up to approximately 42,000 during 2008, the highest levels since 1996 but nowhere near levels experienced during the height of the last recession when levels reached over 75,000 in 1991.

During 2008, landlord repossession claims (social landlord and private landlord repossessions combined) increased by only 1% up to 148,040, way below the peak of 195,000 recorded in 2002. Landlord repossession orders made went up during the same period by only 5% to 112,294.

During 2008 the number of accelerated repossession claims made and orders issued, increased up to the highest level since records began in 1999. The number of standard repossessions (both claims and orders) experienced an increase during the same period but was still well below peak levels recorded in 2002.

Official data on levels of mortgage landlord repossessions, published by the Ministry of Justice, is available from the following website;

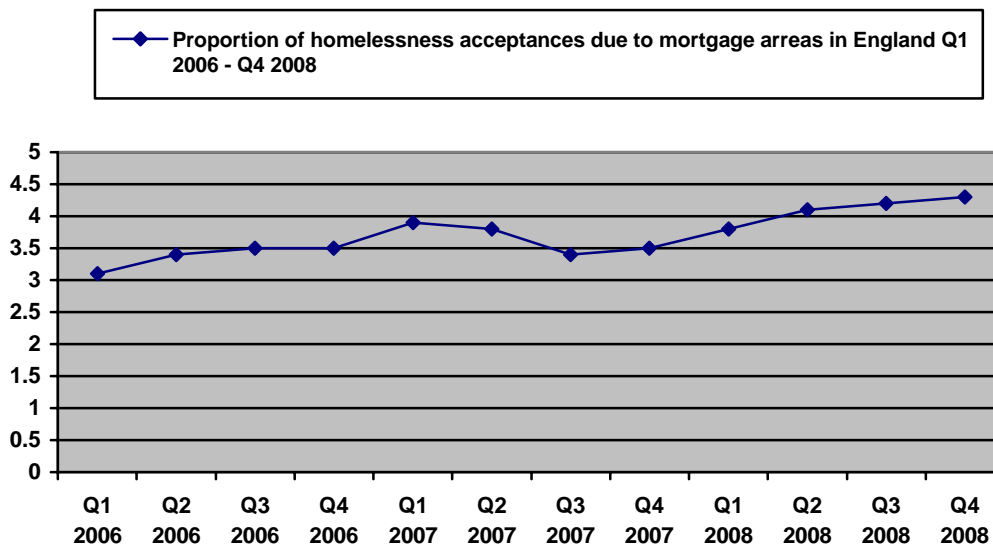
<http://www.justice.gov.uk/publications/mortgatelandlordpossession.htm>



Local authorities are encouraged to regularly collect and monitor local data in repossession activity in their area. Where local authorities play a strong role in helping to coordinate money advice and Court desk services it has been shown to make a real difference to reducing repossessions. Court advice services alone indicate that a success rate of 80% can be achieved on cases they assist to prevent repossession.

#### Homelessness Acceptances due to Mortgage Arrears and Rent Arrears

The number of homeless applicants becoming homeless due to either mortgage arrears or rent arrears has varied in some regions but across England as whole, levels remain fairly stable at this point. Coordinated local authority action can prevent and maintain this position and prevent the increases in repossessions seen in the last recession.



Despite increased repossession activity in Courts across England, this has not as yet made a significant impact on the numbers of homeless households. Acceptances across England during 2008 were at 57,000 a reduction of 14% compared to the previous year and a 60% reduction on the levels experienced in 2003. This is due to the excellent efforts focused around local authority homeless prevention and housing options services. Building on these firm foundations can significantly reduce the homelessness impacts of the recession.

Across England, homelessness acceptances due to mortgage arrears has changed from 650 during the first quarter of 2008 (3.1% of all acceptances) down to 598 during the last quarter of 2008 (4.2% of all acceptances). The reduction in total homelessness acceptances during this time has meant that although in real terms mortgage arrears acceptances have stayed fairly stable, as percentage of all acceptances there has been a slight increase. However when compared to levels of mortgage arrears acceptances ten years ago their levels are still much lower, 6,130 households accepted in 1998 (6% of the total) compared to 2,340 (4%).

This situation is reflected across all regions of the country. The portion of mortgage arrears acceptances is higher in most parts of north of England and midlands than the national level, however the levels in south and London are lower.

	2006/07			2007/08		
	Mortgage arrear acceptances	Total acceptances (rounded)	proportion of acceptances	Mortgage arrear acceptances	Total acceptances (rounded)	proportion of acceptances
<b>England</b>	<b>2,618</b>	<b>73,360</b>	<b>3.6</b>	<b>2,283</b>	<b>63,170</b>	<b>3.6</b>
North East	275	4,790	5.7	239	3,600	6.6
North West	389	11,380	3.4	377	8,530	4.4
Yorkshire and Humber	250	8,220	3.0	228	7,350	3.1
East Midlands	288	6,020	4.8	241	4,780	5.0
West Midlands	477	8,740	5.5	476	9,170	5.2
East of England	271	6,890	3.9	218	5,900	3.7
London	279	15,390	1.8	206	13,800	1.5
South East	232	6,660	3.5	176	5,510	3.2
South West	157	5,270	3.0	122	4,520	2.7

The levels of homelessness acceptances due to rent arrears has reduced in real terms during the past ten years from 2,640 (3%) down to 1,400 (2%) in 2008. Furthermore homelessness due to end of assured shorthold tenancy has dropped from 15,390 in 1998 to 7,870 in 2008 and homelessness due to other rented or tied accommodation has fallen from 8,520 down to 3,130 during the same period. Although there have been increases in the number of landlord repossessions going through the courts, this has not yet impacted on homelessness acceptances.

However, despite these encouraging figures with unemployment levels now over 2 million and still increasing more people are experiencing a reduction in wages, hours worked, or redundancy. More households are and will struggle to pay their rent and mortgage, therefore it will be more important than ever that local authorities have a targeted plan for supporting people who are affected and that the plan includes actions for both home owners and tenants in the social sector and the private rented sector. Suggestions on how you can develop practical actions to mitigate this impact are detailed in section 2.

Local actions can also tie in with the campaign launched by the Government in February 2009 to make people aware of the help available and how to seek help at the earliest opportunity. This campaign runs through to the end of March and is just one strand that is part of a wider package of information called 'Real Help Now' provided through DirectGov. Information is also available through DirectGov covering redundancy, budgeting, dealing with debt and borrowing money, getting back into work, banking, savings and investments.

Further information is on Real Help for Home-owners available by clicking on the following link; [www.direct.gov.uk/mortgagehelp](http://www.direct.gov.uk/mortgagehelp) Further information on the Real Help Now campaign can be found at the following website;

<http://www.direct.gov.uk/en/campaigns/RealHelpNow/index.htm>

**Government Action to Prevent Repossessions**

A wide range of pro-active steps are being taken by the Government in an effort to reduce the impact of the present economic conditions, this has included a commitment by the Financial Services Authority to regulate the sale and rent back market, and encouragement of greater lender forbearance.

The six key actions to prevent repossessions for homeowners are summarised below along with details of how you can access more information.

- Public awareness campaign and debt advice
  - getting advice early is crucial to helping households avoid repossession
  - public awareness campaign launched 20 February 2009, further information can be found at the following website;  
<http://campaigns.direct.gov.uk/mortgagehelp/index.html>
  - further £15m for debt advice services
- Protection through the courts
  - pre-action protocol setting out what lenders should do before taking action to repossess
- Extra advice for households at court
  - housing repossession court duty scheme operating across all Courts from April 2009
  - funded by Community Legal Services Commission and contribution from CLG
- Enhanced Support for Mortgage Interest (SMI)
  - provides support for out of work households
  - enhanced SMI for 2 years – doubled capital limit to £200,000, shortened waiting period to 13 weeks
  - frozen rate at 6.08%
  - effective from 5 January 2009 across the whole of UK
- Mortgage Rescue scheme
  - support for vulnerable households
  - Local authorities and housing associations step in to help them stay in their homes
  - Launched across England on 16 January 2009. Full information guide distributed to all local authorities in January 2009. More information can be found at the following website;  
<http://www.communities.gov.uk/housing/buyingselling/mortgagerescuemeres/>
- Homeowners Mortgage Support scheme
  - For households suffering an income shock
  - Allows for borrower to defer interest and reduce monthly payments
  - Commencing April 2009
  - further information can found at the following website;  
<http://www.communities.gov.uk/housing/buyingselling/mortgagesupportscheme/>

**Section 2****DEVELOPING AN ACTION PLAN**

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**Overview**

Local authorities should sensibly be looking across all housing sectors to understand the current pressures on local people and to plan, with local housing associations and other voluntary sector partners, to address those needs. This is a key element of the local authority strategic housing role.

Recent feedback from the Local Government Association suggests that many authorities are busy planning to mitigate the overall impact of the recession. Actions suggested in this guide could form the basis of the housing and homelessness strand of this work. The starting point sensibly is to set up a 'homelessness impacts multi agency task group' to focus on potential impacts in this area.

The aim of such a group should be for the local authority to lead on developing a strategic response combined with joint work and actions. This could include key council officers such as the lead officers for housing strategy, housing options and housing benefit. The group would also act to exchange information and to develop a local communication strategy for residents.

The practical steps that a local authority can take, either on their own or within sub-regional partnerships, are set-out below and are divided into three stages;

1. Developing a strong strategic and coordinating role.
2. Making best use of resources across the council and partners.
3. Developing a practical set of actions to prevent homelessness across all tenures and setting these out in an action plan.

**Stage 1 – Developing a strong strategic and coordinating role**

1) Gaining corporate action to prevent homelessness due to the recession.

To make things happen it is sensible to gain corporate buy-in from elected members and chief officers to develop actions. This could include:

- Elected members could make a commitment at either a cabinet meeting or at full council to prioritise preventing repossessions as part of its overall local response to tackling the effects of the present financial, economic and housing conditions in the borough.
- Appoint a member champion for this work stream
- Provide regular reports to members on the action plan progress and monitoring the homelessness impact of the recession and the success of local preventative actions.
- Appoint key lead 'champion' contacts in the local authority housing service, local housing associations, and other key stakeholders.
- Feeding work into the Local Strategic Partnership board and possibly updating the local Community Plan to include commitments to tackle the risk of repossessions.

2) Developing a framework for your action plan?

The importance of effective action planning cannot be underestimated. Plans need to include effective arrangements for monitoring, reviewing, and evaluating your actions.

For the action plan to be successful the use of measurable targets and outcomes is essential based on SMART targets (Specific, Measurable, Achievable, Realistic and Time-Bound).

- *Specific* - Actions should be straightforward and emphasize what you want to happen. Think about what you are going to do. Use action words such as direct, organize, coordinate, lead, develop, plan, build etc.
- *Measurable* - Choose an action with measurable progress, so you can see the change occur. What will the service look like once the action has been achieved? Establish concrete criteria for measuring progress toward the attainment of each action.
- *Achievable* – with a multitude of possible service actions, it is easy to become over-ambitious. All actions need to be achievable given the resources, time and skills available.
- *Realistic* - Ensure that the skills and resources needed to carry out this work are available both in the local authority and partners.
- *Time-Bound* - Set a timeframe for each action.

Break actions into achievable tasks by setting ‘milestones’ – staged achievements or ‘interim targets’. Use your action plan as a ‘working document’ by: including a comments column so that people can see what has been achieved, why progress has been slow or why targets were achieved early; and reviewing actions regularly, for instance every three months, producing a progress report so all can see what has been achieved and where action is still needed.

Below is a suggested action plan template

What We will do?	When will we do it by?	Who will deliver this?	Resources Needed	Milestones	Target/ Outcome	What would success look like?	Comments

3) Developing an information set to monitor local homelessness impacts and prevention actions taken.

Gathering relevant and robust data is important to monitor impacts and track the success of the Council's efforts to prevent repossessions. Examples of data that could be collected include;

- The number of mortgage repossession actions taken
- The number landlord repossession actions taken
- The number of mortgage repossession orders made
- The number of landlord repossession orders made

*(All taken from MOJ statistics)*

- The number of homelessness decisions taken
- The number of applicants found to be homeless due to financial hardship
- The number of homelessness acceptances where the main reason is;
  - mortgage arrears
  - rent arrears at local authority dwelling
  - rent arrears at housing association dwelling
  - rent arrears at private sector dwelling
- the number of cases where homelessness due to repossession was prevented/relived and someone was able to remain in their existing home as a result of;
  - financial payment from prevention fund
  - debt advice
  - resolving rent or service charge arrears in social or private rented sector
  - mortgage arrears interventions or mortgage rescue
- The number where homelessness due to repossession was prevented/relieved and someone was assisted to obtain alternative accommodation in the form of;
  - Private sector accommodation with landlord incentive (e.g. cashless BOND, deposit payment, finders fee, rent in advance, landlord insurance payment)
  - Private sector accommodation without incentive
  - Social housing – part 6 offer of own LA accommodation or nomination to housing associations

*(All taken from P1E statistics)*

Local authorities would also be wise to monitor the footfall of people coming into the housing options centre seeking advice, the number of phone calls made to the housing options service or to the Council's contact centre seeking advice. Significant increases of activity can be used as evidence of the need for additional resources or targeted help.

**4) Setting up a Recession Homelessness Impacts Multi Agency Task Group.**

This would be a partnership of local organisations working with the local authority to prevent homelessness due to repossessions.

The aim of the group is to co-ordinate local activity, exchange information and to develop a local communication plan for engaging with residents. Senior officers from the following suggested departments and organisations should be invited to contribute the group;

- Court officials.
  - Court desk service
  - Debt and money advice service(s)
  - CAB
  - Independent housing aid service(s)
  - Local lenders
  - Social housing providers (e.g. local authority landlord services, arms length management organisations, housing associations)
  - Representatives of private sector landlord bodies and associations
  - Housing benefits service
  - Housing options service
  - Credit unions
  - Job centre plus
- 

**5) Developing a communication plan to explain the support that is available locally and nationally.**

The aim is to promote the support available throughout the community with the clear message to seek help early. Individual components could be aimed at seeking help with debt problems or what help is available from Council's and housing associations for tenants who get into genuine difficulties in paying their rent. Issues that may need to be communicated locally include:

- Promoting the National Homelessness Advisory Services' 'worried about your mortgage' leaflet. All local authorities have already been supplied with stocks of this publication, however further copies can be found at; [http://www.nhas.org.uk/publications\\_events.htm](http://www.nhas.org.uk/publications_events.htm)
- Location and hours of operation of the local court desk service, including that the service is free
- Location and hours of operation of the local debt and money advice services, including that the service is free, confidential and impartial
- How the Government's Mortgage Rescue Scheme works and the local partners the Council is working with in order to deliver the scheme in the borough.
- How housing associations can help prevent rent arrears from building up
- Steps individuals can take to prevent rent arrears in the private rent sector
- Reminders of appointments with court desk advisor, money advisor, housing options officer, housing association officer, or others
- Sign posting via the Council's website, leaflets, posters etc to Director's pages that are part of the Real Help for Homeowners campaign. Click on the link below for further information [www.direct.gov.uk/mortgagehelp](http://www.direct.gov.uk/mortgagehelp)

Suggestions for actions in this area could include:

- Local joint press release to launch a local action plan.
- A 'signing up' to the action plan press event with chief executive of the Council, housing associations and key local agencies.
- Press releases regarding successful local cases through the Mortgage Rescue Scheme
- Internal news bulletins are sent to all staff and quick briefings delivered to internal council colleagues and members
- Roadshows and outreach work in town centres, super markets and summer fairs and events.

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**Step 2 – Making best use of resources across the council and partners**

6) Has the local authority access to sufficient resources to implement their action plan?

Making best use of resources in the Council and through partners is important. Is there sufficient capacity in housing services generally or in the housing options service specifically to designate an officer to lead on this work full time or part time?

Funding from the additional grant allocated in March 2009 by Communities and Local Government could be used as well as mainstream homelessness grant. This might cover the costs of a full or part time coordinator for the council or for the sub region. A local authority may wish to see if any contingency resources are available funded from any Area Based Grant, contingency, or other resources. If available a local Authority may wish to deploy resources to contribute towards;

- Extending the hours of operation of the local court desk
- Extending the capacity of money advice services
- Increasing the number locally of trained debt advisors
- Increasing the capacity of any rent deposits or BOND scheme
- Extend the capacity of any homeless prevention fund

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7) Conducting a joint audit of capacity of all key agencies that may form part of the partnership to prevent homelessness due to the recession.

Across all partners conduct an audit of workforce, skills and capacity and possibly provide joint training covering;

- General awareness of the repossession process
- Basic debt and money advice skills
- Eligibility for ISMI and other relevant welfare and housing benefits
- How to apply homeless preventions tools to prevent homelessness due repossession
- Good practice in preventing rent arrears
- In-depth training on dealing with mortgage repossessions, when deemed appropriate

8) Under-taking housing options outreach surgeries across the borough and inviting partner organisations to carry-out outreach surgeries at the Housing Options Centre so that a wider range of people can access advice that can prevent homelessness due to repossessions.

A housing options advice centre is one of the key assets any local authority can have. To reach more people the housing options service could invite the money advice service to carry out advice surgeries at the housing options service. Additionally housing options advisors could undertake advice surgeries at the money advice centre, furthermore money advisors and housing options advisors could undertake joint surgeries at locations like job centres, housing association offices, neighbourhood offices, health centres, community centres, shopping centres. If possible arranging some of these outside of normal office hours, e.g. evenings or Saturday mornings may ensure a wider turn-out. Housing options advisors and money advisors should together consider doing bespoke outreach surgeries to employers where significant numbers of redundancies are being made or there is a reduction in hours/days being worked.

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**Stage 3 – Developing a practical set of actions to prevent homelessness across all tenures and setting these out in an action plan**

Local authorities may need to update their housing options toolkit to respond to increasing levels of presentations from people in housing difficulties caused by the recession. There are a number of suggested actions here:

9) Have the existing homeless prevention tools used by housing options advisors been re-tuned to prevent homelessness due to repossessions?

The Council should have a full range of tools in place to prevent homelessness due to repossession. All housing options advisors may need to be trained in how to use them with clear procedures and processes. The tools could include;

- Updating criteria for the Council's Homeless Prevention Fund.
- Promoting the local Court desk
- Access to Money advice
- Implementing the Mortgage Rescue Scheme
- Enhancing Landlord incentives;
  - Rent BOND
  - Rent deposit
  - Rent in advance
  - Finders fee
  - Landlord insurance

10) Checking that there are joint working protocols in place between the housing options service and all key partners to ensure everyone knows their role in preventing homelessness due to repossession caused by the recession.

Ideally, clear and accountable structures should be established to aid multi-agency working. A joint working protocol could be agreed with all key stakeholders that set out;

- Roles, responsibilities and reasonable expectations of each partner
- Details of what data will be collected, the frequency of collection, whom with and how the data will be shared
- Encouraging relevant third sector agencies to prioritise actions that will contribute to tackling the homelessness impacts of the recession
- Locally voluntarily adopting of an early warning protocol based loosely on the Scottish section 11 Homelessness recent legislation. This would be a protocol for the Courts, Housing Benefit, money advice services and other agencies to notify with consent the housing options service at the first sign of problems which may eventually lead to the loss of a household's home.

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11) Developing a 'benefits take-up campaign' with the Council's Housing Benefit service.

This is especially important to reach households who have never had to rely on housing benefit before and may not be aware of its availability for both people out of work and for in work benefits for households whose income drops below a certain level.

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12) Meeting with money advice services to coordinate local action to prevent homelessness due to repossessions?

This action may have been completed through the implementation of the mortgage rescue scheme locally. The aim is the Council assess and help coordinates access to money advice across their area. A local authority could set up a meeting involving:

- The local authority options service and any internal Council money advice service
- All 'not for profit' organisations delivering money or housing advice operating within the district – this will include Citizens Advice Bureau as each bureau is independently constituted as a separate organisation, plus independent advice agencies such as Shelter operating within the district;
- Court desk provider
- This meeting should re-affirm actions relating to both the formal Mortgage Rescue Scheme package but at the same time agree actions to meet the needs of other housing cases from private rented housing and social sector facing increasing debt problems. The outcomes would include:
  - Mapping the local money advice provision and identifying gaps.
  - Looking at possible additional funding opportunities including temporary posts.
  - Training up housing options advisors plus staff from housing associations and other agencies to provide a basic core level of money advice and signposting to take some pressure off local agencies.
  - Agreeing priority referral processes into money advice from the local authority, court desk and other key agencies, where there is a risk of homelessness. Exactly how and when referrals will be made will need to be agreed.

- Agreeing monitoring and feedback arrangements and recording of the success/failure of interventions and reasons.
- Agreeing a local communication strategy to encourage people to come forward as early as possible for advice.
- Promoting benefit take up campaigns locally to reduce early debt caused by ignorance of benefit availability.
- There may be a strong case for housing associations sharing the cost of additional money advice resources with the local authority and possibly the Citizens Advice Bureau itself.
- Working in partnership with housing associations so that they are discouraged from using Ground 8 in order to seek possession of a property for rent arrears.

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13) Meeting with social landlords to coordinate local action to prevent homelessness due to repossessions due to rent arrears?

A local authority may look to coordinate specific actions to reduce risk of homelessness caused by an increase in social housing rent arrears cases. Local authorities could set up meetings with housing association partners and their own internal housing management service (if stock retained), or arms length management organisation to agree ways of tackling any increased risk of homelessness through higher levels of rent arrears in the social housing sector:

- Meetings should consist of local housing associations and the local authorities own housing management service or arms length management organisation, separate meetings could take place covering the larger housing associations.
- Meeting could stress that if the Government line to lenders is “that they must do everything they can to keep people in their home,” then how can social landlords ‘go the extra mile’ to keep people in rent arrears in their home where debt has not been caused by fecklessness.
- How has the Communities and Local Government Pre-Action Protocol for Rent Arrears been implemented locally with all social landlords?
- Many social landlords will have detailed rent arrears procedures but the purpose of the meetings would be to determine what extra steps can be taken where people cannot afford to pay the rent, or full rent, where there are genuine money issues caused by the recession including fuel poverty; loss of overtime.
- Communicating the need to pay the rent as a priority debt and benefit take up campaigns including information on Housing Benefit for working households who have lost income should sensibly be prioritised.
- Housing Benefit is a key part of this approach, not least to ensure rapid claim processing and strong communications where arrears may be caused or resolved by Housing Benefit. They can also provide training to housing options advisors and other agencies on housing benefit take up and benefit take up generally including backdating of Housing Benefit rules where ignorance has caused a housing debt following a loss of employment or reduced income that would now bring the tenant into Housing Benefit

- Specific actions coming out of this meeting could be:
  - Full adoption of the Communities & Local Government rent arrears pre action protocol for social landlords.
  - Actions to encourage improved benefit take up.
  - Resolving any Housing Benefit problems using existing or new named Housing Benefit officer fast track arrangements with housing benefit agreed with the housing options service.
  - Not enacting suspended possession proceedings until the root cause of the arrears problem has been firmly established; an action plan for that household agreed and implemented; and permission to enforce possession only sought where all help has been rejected or has failed and there is no alternative left for the social housing provider.
  - Even at the stage where possession enforcement action has been agreed, can a household remain in their accommodation until an alternative property can be sourced in the private rented sector? This may also give a further opportunity to pay off the arrears and remain in their home.
  - Supporting tenants through providing independent advice on budgeting, money management and debts at the start of a tenancy and whenever arrears occur.
  - Social landlords agreeing how to balance their role as a collector of rent, with the financial impact of higher levels of evictions on homelessness and increased temporary accommodation costs.

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14) Meeting with private landlords to coordinate local action to prevent homelessness due to repossessions because of rent arrears.

A local authority should look to coordinate action to reduce the risk of homelessness caused by an increase in private rented sector rent arrears cases. A starting point could be to set up a meeting to tackle increased risks of homelessness through rent arrears in the private rented sector. Locally, rent arrears cases may be increasing due to Local Housing Allowance payments going direct to tenants proving too tempting to use on other debts. Actions could include:

- Early warning systems with Housing Benefits service where applicants are close to hitting a level of arrears that may trigger the reinstatement of direct payments.
- Landlord hotline where arrears are occurring to enable early intervention from the housing options service.
- Reviewing vulnerable tenants in the private rented sector to see who should be encouraged to apply for direct payments.
- Fast tracking people in arrears to money advice
- Improving benefit take up.
- Resolving any Housing Benefit problems possibly building on existing arrangements between the Council's Housing Benefit and housing options services.
- Fast tracking cases in arrears for action by the Housing Benefits service or possibly agreeing to pay off a proportion of arrears through a homeless prevention fund payment once the household have agreed to address problems and have received money advice the outcome of which that they are able to bring overall expenditure to a level where they are able to meet their rental obligations.

15) Is the local authority developing actions to prevent homelessness due to repossessions because of private landlord repossession?

The Council contributes towards actions to preventing homelessness of private rented sector tenants due to private rented sector landlord repossessions. It estimates that 2,000 – 4,000 households in 2009 may be evicted at very short notice due to repossession of the landlord's property. Of these perhaps 1,000 may be entitled to accommodation through the homelessness duty. Communities & Local Government are involved in separate work to consider options for minimising the potential impact of the issue, local authorities are likely to have a significant role to play in any actions decided upon by Government.

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16) Has the housing options service promoted to private landlords a business case setting out the benefits of working with the local authority increasing the supply of private rented accommodation for people where actions to keep them in their home fail.

The Local authority could look to further open up private rented sector as a homelessness prevention option through direct marketing and links into any existing landlord Forums. The package local authorities sell to landlords could include;

- A market rent which is pre-set by the local housing allowance so the landlord knows what rent will be due before committing to the tenancy.
- Offering a service in finding tenants
- Possibly undertaking an inventory for free
- Offering a landlord incentive scheme or BOND guarantee against damage and or rent loss up to a maximum liability of x weeks (or figure)
- Assisting the tenant with the housing benefit paperwork and verifying documents to help ensure speedy payment
- Possibly accompanying prospective tenant to viewings
- Acting as a point of contact for landlords if problems arise.
- Providing a ready supply of prospective tenants so properties can be let quickly
- Charging no letting or introduction fee.
- Offering a service to talk to housing benefit on behalf of landlords where written consent for this has been granted by the tenant at sign up.
- With a cashless BOND there is no requirement to deposit a cash deposit in a national rent deposit scheme.
- Promote key message to landlords - longer term lets- good market rents - quick lets - paperwork taken care of - guarantees against damage and or rent loss- back up support service.

17) Does the local authority have the capacity to set-up a hardship fund to prevent homelessness due to repossessions?

Most local authorities set aside a small budget for small scale interventions to prevent homelessness. These could be finders' fees to access the PRS or small one off payments to deal with a landlord problem to prevent eviction. Normally these budgets in total range from say £10,000 to £50,000 a year. Local authorities could bring together this fund and any other sources of funding to establish a specific hardship fund for tackling the threat of homelessness due to the recession. Administered by the Housing Options Service a hardship fund could cover:

- One off payments to clear or reduce mortgage arrears where lenders are willing to write down the level of arrears in return from a contribution from the owner. The principle would be that these payments are not made unless the homeowner had acted on money advice and were able to meet any existing or newly negotiated monthly repayments.
- One off payments as a contribution to clearing or part settling second charge actions where that charge had been taken out against the property for security.
- Payments for a local version of the Mortgage Rescue scheme to supplement the government's scheme or to apply to some groups or circumstances not covered by the Government's scheme.
- Prevention Funds could be expanded as part of this work and include for example:
  - One off payments for tenants in the private rented sector or social sector who are in rent arrears due to debt or income shocks due to loss of earnings, reduced hours and had no previous history of rent arrears. Only payable following the outcome of money advice where ability to afford the continuing rent payments were affordable following outcome of debt advice.
  - Boost existing prevention funds across the whole range of local authority prevention work.
  - Boost BOND schemes. This will be effective where it is not possible to save the person from homelessness in the property they are in but through help from a BOND scheme will accommodate them somewhere else before they reach the point of homelessness. On average local authorities have indicated that there is a claim rate of between 10 and 20% where a cashless BOND has been granted. The liability is on average one month rent. In total based on an average BOND commitment of £400-£600 (one months rent) £5,000 may 'buy' 50 PRS let's based on a 25% claim rate against the BOND. This is a potentially a sizeable additional number of preventions that for a small investment.

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18) Developing effective joint working arrangements with the service provider of the local Court Advice Desk

Look to receive regular information from the court desk service explaining the number of cases where the household was present at court, the number of cases where the court desk achieved a successful outcome and any other relevant information. These figures may help in targeting publicity highlighting the benefits of the local court desk service.

19) Do housing options advisors promote the enhancements made to Mortgage Support Interest as part of a suite of local measures to prevent homelessness due to repossessions?

Housing options advisors have been trained to explain how Support for Mortgage Interest works, e.g. who is eligible, how to claim, financial thresholds, etc. promotional activity is taking place in the local area to encourage take-up of Support for Mortgage Interest

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20) Monitor progress on fully implementing the Government's Mortgage Rescue scheme locally.

Rechecking the guidance notes and ensuring that all actions have been taken including meetings with partners (money advice, housing associations) to ensure there are effective joint arrangements in place to successfully implement this scheme.

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21) Train housing options advisors, Council call centres staff, and Council one-stop shop service centres so they can provide information on the Government's Homeowner Mortgage Support Scheme to residents once it is launched in April 2009.

Housing options advisors will shortly receive information on how the scheme works, eligible households, commencement date.

**23 simple actions to get local authorities started on developing an action plan for preventing homelessness across all tenures as a result of the recession**

Below is a list of initial actions local authorities can take to get their action plan produced and some early practical steps that be taken.

This list is not meant to be exhaustive, but to point local authorities in direction of the first activities that they need to take develop their local response to prevent homelessness due to repossessions

Each step could be completed within a day. If these measures are taken then local authorities will be well on the way to a local plan within a month, therefore ensuring real solutions are available to help people at risk of homelessness and repossession due to the present economic climate.

No.	Task	Tick when achieved
1	Brief chief officers, elected members, and Local Strategic Partnership board of the content of this paper. Seek commitment from them that they will prioritise their support to prevent homelessness due to repossessions. Agree a member champion	
2	Establish a timetable for devising a local action plan, with a deadline for final sign-off say no later than June 2009. Ensure the local action plan has SMART actions	
3	Identify what data will be collected to inform the development of a local plan and agree the information that will be monitored on a regular basis to track progress	
4	Set-up a partnership forum that includes key internal and external services. The partnership forum will work together to develop a local action plan and coordinate local activities	
5	Agree a communications strategy with RSLs, other partners and develop this through the Council and partners press or communications service ensuring that everyone in the area knows what the Council is doing to prevent homelessness due to repossessions.	
6	Agree how the CLG £30,000 individual or sub regional grant award will be spent, plus identifying any other additional monies may need to be secured.	
7	Brief all housing options advisors as to the contents of this paper and what action the Council is taking. Devise a training plan for local agencies so that all staff know what their role is in preventing homelessness due to repossessions	
No.	Task	Tick when achieved
8	Update the Council's own website to ensure information on what the Council can do (links plus to other websites) to help prevent homelessness due to repossession are available.	
9	Agree at which locations housing options outreach surgeries will take place.	
10	Identify which existing prevention tools can be expanded to prevent homelessness due to repossessions	
11	Draft a joint working protocol for all partners to sign-up to	
12	Hold a meeting to discuss a housing benefit take-up campaign	

13	Agree a date to meet with money advice services to discuss extra steps they can take to prevent homelessness due to repossessions	
14	Agree a date to meet with social landlords to discuss extra steps that can be taken to prevent homelessness due to repossessions	
15	Agree a date to meet with private landlords to discuss extra steps that can be taken to prevent homelessness due to repossessions	
16	Begin developing ideas as to how to prevent private landlords from becoming repossessed	
17	Produce a draft leaflet setting out the business case for why private landlords should work with the local authority to prevent homelessness	
18	Draft a procedure for operating a Hardship Fund	
19	Draft terms of reference for case conference meetings to discuss complex cases	
20	Agree with Court Desk service the range of information they will provide	
21	Train staff in the changes to Support for Mortgage Interest	
22	Ensure that everything is in place to operate the Government's mortgage rescue scheme	
23	Gather and disseminate to housing options advisors information on how the Homeowner Mortgage Support Scheme works.	

## Preventing homelessness through joint working between Housing Benefits Services & Housing Options Services

Action	Resources required	Lead Officer	Target date	Progress made
Housing Options Service has access to a dedicated housing benefit officer based in the team or access to a named benefit officer within the Housing Benefits Service who is able to provide same day response	Named housing options officer, named housing benefits officer. Schedule of regular liaison meetings to discuss barriers and concerns and agree solutions to remove and eradicate these			
There is a dedicated or named Housing Benefit Officer who is able to take urgent homelessness prevention referrals from RSLs and other partner organisations	Named contact at RSLs, named Housing Benefits Officer. Schedule of regular liaison meetings to discuss barriers and concerns and agree solutions to remove and eradicate these			
A protocol has been agreed within the Council on how Discretionary Housing Payment (DHP) can be used to help prevent homelessness	Best practice examples from other LAs			

Action	Resources required	Lead Officer	Target date	Progress made
<p>The Housing Benefits Service provides training every twelve months to Housing Options Service in the following</p> <ul style="list-style-type: none"> <li>a. Verification requirements</li> <li>b. The October 2005 changes to Management Information System regarding how new HB/CTB claims are recorded. (Circular HB/CTB U9/2004)</li> <li>c. Overpayments and the LA's approach to recovery</li> <li>d. Pre-tenancy determinations, procedures and how prospective tenants or landlords can apply</li> <li>e. Late or back-dated claims and the benefit rules regarding continuous good cause</li> <li>f. The criteria and rules covering the LA's DHP fund and how to apply</li> <li>g. A basic guide to housing benefits for homelessness staff</li> </ul>	<p>Annual training programme, appropriate handouts and useful practical tools for use in daily practice</p>			

Action	Resources required	Lead Officer	Target date	Progress made
<p>A senior HB Manager is on any of the following strategic groups</p> <ul style="list-style-type: none"> <li>• Homelessness Strategy Steering Group</li> <li>• Homelessness Prevention Corporate Group</li> <li>• Homelessness Forum</li> </ul>	<p>Purpose of the groups and dates of meetings to be shared with relevant senior HB Manager</p>			
<p>There is an HB package available to support Rent Deposit scheme including pre-tenancy determinations, verification of housing benefit documents, and fast tracking of initial payments</p>	<p>Use best practice examples from other LAs to review present arrangements. Operational procedure for both services to be developed and introduced</p>			
<p>The LA use DHPs to help households for a short period of time, who have found work and may be at risk of homelessness due to any reduction in <u>HB</u></p>	<p>Review present procedures from both services and update as/if necessary</p>			

Action	Resources required	Lead Officer	Target date	Progress made
The LA use DHPs to help prevent homelessness	Review present formal policy position and operational procedures, update as/if necessary			
Monitor if the LA is spending or exceeding it's government-set DHP allocation	Arrangements to be put in place to share this information with Housing Solutions Services			
Housing Benefit Service, Housing Options Service, and Private Rented Sector (PRS) Services contact key landlords and lettings agents and drawn up a profile of the local low-rent market	Name housing options officer, who will need training on developing expertise on PRS			
Housing Benefit Service and Housing Options Service resolve ways of assuring prompt housing benefit settlements and payment to PRS landlords accepting households through rent deposit/bond scheme and/or qualifying offers	Review of present operational procedures. Revised and updated as/if necessary			
Housing Benefit Service provides a dedicated phone line or e-mail address for landlords and agents	Review present deployment of staffing time, adjust as/if needed			
Housing Options Service provides key landlords and lettings agents with a named officer who can intervene to help prevent exclusions	Named Housing Options Officer, provided with in-depth training on PRS			