

Notice of Non Key Executive Decision

Subject Heading:	Mawney Road Mother and Baby Unit
Decision Maker:	Patrick Odling-Smee - Director of Housing
Cabinet Member:	Councillor Keith Darvill – Lead Portfolio Holder for Housing Services
SLT Lead:	<i>Patrick Odling-Smee – Director of Living Well</i>
Report Author and contact details:	Darren Alexander, Assistant Director Housing Demand darren.alexander@havering.gov.uk 01708 43 3751
Policy context:	This report sets out the proposal to lease Mawney Road 13 bed unit from the National Housing Group (NHG) as a mother and baby unit for two years to address the acute homeless crisis. The proposal would have both General Fund and HRA implications.
Financial summary:	<i>This report seeks approval to press ahead with the let of a mother and baby unit to alleviate the pressure and stress of living in a hotel after giving birth.</i>
Relevant Overview & Scrutiny Sub Committee:	<i>People OSSC</i>
Is it an urgent decision?	<i>No</i>
Is this decision exempt from being called-in?	<i>Yes, it is a Non Key Decision by Officer</i>

The subject matter of this report deals with the following Council Objectives

People - Things that matter for residents

Place - A great place to live, work and enjoy

Resources - A well run Council that delivers for People and Place.

Key Executive Decision

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

1. Abercrombie Family Assessment Centre was closed in March 23 for demolition with start on site for build of the new Family Welcome Centre underway. This meant a loss of 45 units of accommodation that we had previously used to accommodate our families and single people in the Harold Hill area.
 2. Abercrombie House has, for many years, been an emergency Family Assessment Centre where the local authority has been able to use it as a respite centre for families at risk. However, since the decant of Abercrombie House and demolition we have opened Park Lane site as an interim Family Assessment Centre provision in its place. Unfortunately due to the current cost of living crisis and the impact it has had on homelessness this provision is still not sufficient to meet the homeless demand.
 3. To try to rectify shortfall in supply, we have identified and are now considering an existing supported housing unit in Mawney Road, Romford. The 13 units of accommodation has the profile and space to address a number of issues.
 - Accommodate mothers with young babies or young children
 - Reduce the impact of mothers who give birth staying in hotels with a new born
 - Provide kitchen and washing facilities for mother and their infant children
 - Provide more self-contained units where appropriate
- A. **Approve** the proposal to lease for two years Mawney Road as a 13 bed mother and baby unit
- B. **Note** the projected costs of leasing the property for two years

AUTHORITY UNDER WHICH DECISION IS MADE

3.3 Powers of Members of the Senior Leadership Team

Members of the Senior Leadership Team (SLT) have delegated authority to act as follows within the assigned service service/portfolio of responsibilities, subject to the general provisions and limitations set out in section 3.1 above.

General powers

(b) To exercise all the powers delegated to them personally and those powers delegated to Second Tier Managers and other staff members in their directorate where circumstances require and so far as legally permissible. Exercise of such powers should be recorded where appropriate. Where possible, a SLT member should give notice to a relevant staff member that he or she intends to exercise a specified power that is delegated to that staff member.

3.8.2 ASSISTANT DIRECTOR HOUSING (a) To exercise the Council's functions with regard to homeless persons. (b) To procure and/or manage temporary accommodation in support of the homeless function.

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STATEMENT OF THE REASONS FOR THE DECISION

4. Main causes of homelessness and why the demand for hotels

5. The service is fighting to effectively address homelessness by supporting households to remain in their accommodation as long as possible right up until bailiff warrants are issued. We understand this will cause particular distress to families the alternatives however, are already available within the gift of the local authority.
6. Family and friend exclusion remains the main cause of homelessness in Havering, and in this climate it is vital we get the message out that support is required from our extended families to help us prevent as much as is possible the impact of children living in emergency hotel accommodation.
7. The table below illustrates the number of homeless approaches pre-pandemic to now. Havering Council has seen a 40% increase over the last two years in the number of households who require emergency accommodation. We have also seen significant increase on domestic abuse approaches to the service which illustrates the pressure to place into emergency accommodation.

8. Table 1. Number of homeless approaches for the last 4 years.

Dates	Homeless Approaches	Dates	Homeless Approaches	Dates	Homeless Approaches	Dates	Homeless Approaches
Apr-19	155	Apr-20	114	Apr-21	235	Apr-22	261
May-19	186	May-20	141	May-21	268	May-22	294
Jun-19	160	Jun-20	165	Jun-21	315	Jun-22	237
Jul-19	195	Jul-20	166	Jul-21	246	Jul-22	280
Aug-19	177	Aug-20	228	Aug-21	275	Aug-22	319
Sep-19	165	Sep-20	269	Sep-21	302	Sep-22	299
Oct-19	187	Oct-20	236	Oct-21	262	Oct-22	305
Nov-19	174	Nov-20	256	Nov-21	280	Nov-22	300
Dec-19	111	Dec-20	175	Dec-21	169	Dec-22	249
Jan-20	233	Jan-21	239	Jan-22	258	Jan-23	282
Feb-20	160	Feb-21	258	Feb-22	250	Feb-23	325
Mar-20	129	Mar-21	292	Mar-22	282	Mar-23	335
Total	2032		2539		3142		3486
Avg	169		211		261		290

9. Table 2. Domestic Abuse Approaches in Havering for the last 4 years

10. The number of domestic abuse cases in Havering continues to increase where households fleeing violence and abuse are likely to be placed in emergency hotels.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
2019/20	7	5	7	7	5	7	12	9	2	7	4	5	77
2020/21	8	12	9	12	29	19	24	29	15	22	18	29	226
2021/22	22	24	26	19	31	28	18	25	12	18	13	18	254
2022/23	25	30	20	13	36	34	28	22	20	17	14	28	287

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11. Table 3. Bed and Breakfast Hotels booked – for the last 4 years

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
2019/20	0	0	0	0	0	0	0	0	0	0	0	3	3
2020/21	0	2	1	0	4	5	14	13	18	19	14	3	93
2021/22	10	8	11	7	8	11	7	8	7	23	17	8	125
2022/23	7	12	16	27	33	40	44	45	39	53	21	51	388

12. Table 4. Singles and families placed in Bed and Breakfast Hotels for the last 4 years

	2019/20	2020/21	2021/22	2022/23	Total
Singles	3	90	82	131	306
Families	0	3	43	257	303
Total	3	93	125	388	609

13. Table 5. Properties secured in the private rented market through Find Your Own

	Apr 22 to Mar 23	Apr 21 to Mar 22	Apr 20 to Mar 21	Apr 19 to Mar 20
Find your Own	150	222	322	240
Budget	£425,000	£425,000	£425,000	£425,000
Find your own expenditure	£412,339	£538,140	£639,000	£839,000
Capital Letters	13	59	0	0

14. Addressing the Housing Demand – Mother and baby unit

15. The 13 bed unit at Mawney Road has been previously used as a low needs accommodation for single people and is being closed due to the support providers at risk of insolvency. However, the current hotel crisis has meant that it was necessary to repurpose it as an emergency mother and baby unit to alleviate the substantial cost pressure of placing families into hotels.

16. The 13 bed unit currently has people occupying the units and they are already being moved on into longer term accommodation however, rather than the local authority discontinue use of the building there remains a need to support families to exit hotels.

17. The scheme however, is most appropriate for mothers and babies or young children of which to date, 16 currently occupy hotels and a further 16 in nightly charged accommodation. We also hold a caseload of 30 identified as mother and baby who have yet to be accommodated in an emergency.

18. We anticipate that this unit will be available for use in the middle of March 24 for occupancy meaning we can immediately take mothers and their babies out of hotels and place them there providing them with more appropriate and suitable place to live with the necessary amenities to be able to support their children.

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19. Costs to deliver Mother and Baby Unit

	£ per year
Rent to landlord	216,902.40
Tenant rent income	- 95,023.59
Void loss	5,701.42
Repairs	-
Bad debt provision	2,850.71
Total net costs	130,430.94
Equivalent cost of hotels as comparison	321,141.60
Anticipated cost avoidance	£190,710.66

20. This equates to an average weekly net cost per household of £193pw (gross cost £320pw), compared to a minimum net cost of £475 per week in hotel accommodation.

	Mawney Road, 13 units – mother and baby		
	Hotel Costs (£)	HB (£)	Net (£)
23-24 Cost Avoidance	401,427	80,285	321,142
24-25 Cost avoidance	401,427	80,285	321,142
TOTAL	802,854	160,570	642,284

21. Costs to set up Mawney Road

22. We do not anticipate any costs to set up for Mawney Road with Owner's National Housing Group undertaking voids works at own cost.

23. Reasons for the decision

24. To continue to secure accommodation for families at risk of homelessness:
- Increase the number emergency accommodation units within the existing estate profile
 - To exit families out of bed and breakfast hotels

OTHER OPTIONS CONSIDERED AND REJECTED

25. Continue to use Chain Hotels and other high cost hotels.

26. Over the last 12 months the Council have placed high volumes of families into chain hotels and this has been a concern particularly for those affected with stays beyond the statutory 6 week limits. Block booking chain hotels has been considered, however, locking the Council into long term booking arrangements places the authority at risk of exposure when demand is no longer there. This option remains the highest risk and the highest cost and should only be used in emergencies and as a last resort.

27. Procure properties through a long term lease agreement with a purchase options.

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28. Discussions are taking place with a provider to purchase properties and lease to the council on a 40 lease agreement with an income strip so the Council will own the property for £1 at the end of the 40 year lease. The lease rental will rise with inflation over the 40 years, increasing the risk of financial losses over the period.

29. Private partner to purchase and subsequently lease properties to the Council to be used as temporary accommodation

30. We considered the use of these properties as temporary accommodation however, the Council have already assessed that the rental value and the housing benefit subsidy deficit would lead to the Council losing out financially. The existing PSL scheme is also being pursued however there is a financial loss to the council due to the subsidy loss as set out elsewhere in this report.

31. The Council to purchase properties through the HRA

32. The Council has had a programme for the last 4 years for the purchase of properties through the HRA Acquisitions programme, funded from HRA borrowing and grant. For 2022/22 and 2022/23 the council received GLA grant towards these acquisitions however this has stopped so RTB receipts are being used in 2023/24 to subsidise the purchases. The increasing rise in house prices in the borough has impacted on the financial viability of this programme. Other funding grant opportunities are being explored. There are limitations in that we are only able to acquire units within the Havering borough boundaries as opposed to this proposal which enables us to acquire in other London Boroughs. Although this approach has delivered a positive yield of 35 – 80 per year it will not meet the required demand so other options are going also needed.

33. The Council to purchase properties through its own wholly owned subsidiary company MLH

34. We took the “**Private Housing Investment for Settled Homes Proposal for Mercury Land Holdings PHISH**” to Cabinet and it was agreed in 2022 to purchase 125 properties over a 5 year period. The structure of the proposal would mean that there was a capital outlay of circa £60 million from the Council’s general fund and upon acquisition of a property we would offer 12-24 months Assured Shorthold Tenancy (AST) to homeless households and subsequently discharge our housing duty. However, significant delays in drawdown loan agreements and the fundamental change to the financial climate in that period i.e. spike in inflation and interest rates meant that this approach was no longer financially viable. This does not mean we cannot revisit this approach once the markets have settled down however, it cannot be treated in isolation as a panacea for the current homeless pressures. The 125 units and limited 5 year term will not meet the considerable risk of hotel use in the long-term and will only alleviate it in the short term.

35. Develop new supply of homes through the regeneration programme

36. This is being actively pursued however the viability of future schemes has to be carefully considered. The Council does not receive GLA Grant for the units that are replaced, only the additional units built. There is also the medium term displacement of households during the development stage that creates additional demand for temporary accommodation. The Council is also developing a new Family Assessment Centre in Harold Hill that will provide temporary accommodation for homeless households however this is not due to be completed until 2025.

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37. The Council to work with other investors who provide options to supply accommodation

38. The Council still consider this as a viable option in order to further increase the mixed portfolio profile it requires to meet the housing need and will carry out its due diligence of these offers as and when they arise.

PRE-DECISION CONSULTATION

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Darren Alexander

Designation: Assistant Director, Housing Demand

Signature:



Date: 05.03.24

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

39. Homelessness law Issues

40. The Council has functions under Part VII of the Housing Act 1996 to provide temporary accommodation to homeless households on an interim basis if it has reason to believe that the homelessness applicant may: (a) be homeless; (b) be eligible for assistance; and, (c) have a priority need and on a longer term basis where the homelessness application has been accepted by the Council under section 193 of the Housing Act 1996.
41. The plan is for the Council to grant licences of the units at Mawney Road to homelessness applicants relying on the secure tenancy exemption in paragraph 4 of Schedule 1 to the Housing Act 1985. Mawney Road is not held within the Council's temporary accommodation stock and can be returned at the expiration of the 2 year lease. The management support however is a HRA burden.
42. The Homelessness (Suitability of Accommodation)(England) Order 2003 as amended ("the 2003 Order") provides that if no alternative accommodation is available for the homelessness applicant, the Council may accommodate the applicant's family in B&B for a period, or periods, not exceeding 6 weeks in result of a single homelessness application. Where B&B accommodation is secured for a homelessness applicant with family commitments, the Secretary of State (DLUHC) considers that the authority should notify the applicant of the effect of the 2003 Order, and, in particular, that the Council will be unable to continue to secure B&B accommodation for such applicants any longer than 6 weeks, after which the authority must secure alternative, suitable accommodation. Failure to comply with the 2003 Order puts the Council at risk of being subject to legal challenges.

FINANCIAL IMPLICATIONS AND RISKS

43. Financial implications and risks:

44. In summary, Mawney Road proposes that 13 units will be opened exclusively to mothers and babies or young children aged under 4 who are already in hotel accommodation until April 2026.
45. Net cost management running cost to Housing Revenue Account (HRA) will be £130k in 24/25.
46. Although the Council will pay a nightly charge at £320pw per household in the this will mitigate the cost of remaining hotel accommodation and it is anticipated that there will be some additional repairs and maintenance costs which will have to be met by the National Housing Group.
47. Other costs likely to be at risk is rent collection with families subject to financial pressure. Rent loss through voids has been built into the figures above. We intend to mitigate these challenges with some of the cost avoidance from reducing the extensive use of hotels.

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48. It is anticipated the scheme is likely to reduce the Council's financial burden in 24-25, and same amount in 25-26.

HUMAN RESOURCES IMPLICATIONS AND RISKS

49. We do not anticipate increasing the workforce to provide a satellite service to the mother and baby unit. The building does already have existing office space and will allow staff to float across the different estates providing low level support.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

50. The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

- i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- ii) The need to advance equality of opportunity between persons who share protected characteristics¹ and those who do not, and;
- iii) Foster good relations between those who have protected characteristics and those who do not.

51. The Council is committed to all of the above in the medium term provision of Mawney Road and is expecting that this will not just be a positive step in our endeavour to relieve the existing pressures of homelessness but to give assurance to our colleagues in health and social care that we are focussed in our efforts to improve health inequalities.

52. Mawney Road Mother and Baby unit recognises the acute challenges mothers face when giving birth to new born babies and the risks associated with living in a hotel and raising a baby. The unit gives us the opportunity to step down new and existing mother living in hotels with children into a self-contained dwelling with access to onsite support as they go about re-establishing their lives. This growing use of hotels has been particularly harmful to children and their education and has exacerbated their parents' anxiety about providing a stable, safe and secure home.

53. We will also make every effort to ensure that households with protected characteristics, age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation, who are over-represented as homeless also receive the right attention and support to live independently.

¹ 'Protected characteristics' are age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender, and sexual orientation.

HEALTH AND WELLBEING IMPLICATIONS AND RISKS

54. It is anticipated that the mobilisation of this proposal and its subsequent delivery of Family Assessment Centre reducing the Council's dependency on hotels will generate positive health and wellbeing benefits directly to households who have a need to be accommodated by the Council in an emergency.
55. Havering council is committed to improving the health and wellbeing of its residents. The provision of accommodation other than hotels is an important determinant of health and wellbeing as housing impacts both our physical and mental health and wellbeing. Inadequate housing and poorly designed housing is associated with increased risk of ill health including cardiovascular and respiratory diseases, depression and anxiety as well as risk of physical injury from accidents. Hotels in particular do not offer the amenities that families and their children need and this has a wider impact on schools and the ability of children to thrive in education.
56. Housing such as Family Assessment Centres (particularly for women due to safety issues) does have a role to play as an important pathway to longer term stability and sustainability as well as well as means through which people living in Havering can build a new life (e.g. access to employment, identity, living practices, creation of social networks etc.). The scheme will also benefit households at risk of homelessness by providing accommodation for children in particular who have been staying in hotels.
57. There is an impact for families placed outside of the borough but the risks of remaining in insecure hotel accommodation particularly for children weigh higher.

BACKGROUND PAPERS

Key Executive Decision

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed



Name:

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date: 05/04/24

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____