

**To:** City Executive Board  
**Date:** 19<sup>th</sup> September 2017  
**Report of:** Head of Housing Services  
**Title of Report:** The Use of Empty Buildings as Temporary Accommodation for Homeless People

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To respond to Council’s motion requesting officers to investigate “the processes or procedures that could be used to make empty properties available for use as temporary shelters.”
<b>Key decision:</b>	No
<b>Executive Board Member:</b>	Councillor Mike Rowley, Housing
<b>Corporate Priority:</b>	Meeting Housing Need
<b>Policy Framework:</b>	Housing Strategy 2015 - 18
<b>Recommendation(s): That the City Executive Board resolves to:</b>	
<ol style="list-style-type: none"> <li><b>1. Agree</b> to continue working with partners to make the best use of new and existing premises for Severe Weather Emergency Provision.</li> <li><b>2. Agree</b> to continue to investigate the possibility of the other matters covered in this report, with particular reference to effectiveness in meeting a defined need, and financial sustainability.</li> <li><b>3. Note</b> that should additional expenditure be required to further the above objectives, a report outlining the proposed expenditure will be presented to CEB.</li> <li><b>4. Delegate</b> to the Head of Housing Services the discretion to organise a conference of stakeholders with a view to exploring possible interventions and ways of working together to find accommodation and support services for rough sleepers.</li> </ol>	

<b>Appendices</b>	
Appendix 1	Risk Register

## **Introduction and background**

1. This report responds to a motion agreed by Council in April 2017 “requesting the City Executive Board to commission a report from officers to be submitted to the Board no later than September 2017 on the processes and procedures that could be used to make empty properties available for use as a temporary shelter”.
2. This report also responds to work streams identified in the draft Housing and Homelessness Strategy 2018-2021 on bringing empty commercial buildings back into use, and looking at further development of partnership working with various stakeholders to improve homeless prevention services for rough sleepers and other vulnerable households.
3. Oxford benefits from an extensive, varied and dedicated homelessness support sector, with very good co-operation among third-sector providers and between those providers and statutory services including this Council. Over many years the sector has innovated and strengthened increased its provision, working together with the Council; and in recent years the Council and its partners have done much valuable work together to ensure the continuation of vital services in the face of the potentially disastrous cuts coming from national government. It is essential that any new provision is developed in close co-operation with the sector, complements existing provision, does not duplicate existing services, and operates in full co-operation with existing providers.
4. Oxfordshire County Council has drastically reduced its Housing-Related Support funding, leading to the decommissioning of Lucy Faithfull House, the pending decommissioning of Simon House, and reductions elsewhere. The City Council has agreed to maintain its expenditure in this area and has agreed to prioritise mitigating the impact of the County cuts, which would otherwise see a significant increase in rough sleeping.
5. In 2016-17 this Council made 383 successful interventions to get rough sleepers off the streets, including 29 rough sleepers with no “local connection” to Oxfordshire who were connected to services in their local areas.
6. However, there is a small but significant group of rough sleepers whom it is more difficult to help because of national legislation meaning they have “no recourse to public funds”. Consequently the Council and existing RSL providers cannot accommodate them as the financial viability of their operations depends on access to Housing Benefit.
7. There are also a small number of entrenched rough sleepers who refuse help and/or frequently cycle into and out of accommodation. Oxford City Council is not a health or Social Services authority but we seek to do all in our power to prevent harm to anyone sleeping rough, and to connect them to services that can address their individual problems.
8. This Council will seek to explore new ways in which we can work together with stakeholders to help rough sleepers gain access to accommodation and support services. To this end we will seek to convene a conference of stakeholders as soon as possible, including major City Centre businesses, faith organisations, the Universities, and community organisations of nationalities represented among rough sleepers who have “no recourse to public funds”.

9. This report seeks to

- Update on progress with the identification of empty buildings across the public and private sectors which could be used to house homeless people or those in housing need
- Understand the different models that could work in empty buildings, outlining the pros and cons and how they could meet the needs of homeless people.
- Make recommendations on which models, if any, could be explored further and by whom.

### **Empty Buildings**

10. Officers have worked with a number of different landlords to start the process of identifying empty properties. Landlords include Oxford University, Oxford City Council and private landlords.

11. Having gathered information from work done in Bristol on the use of empty buildings, certain criteria was applied in order to enable landlords to identify potential buildings:-

- Smaller buildings that already have around 4-5 compartmentalised spaces (either offices or bedrooms) or other spaces that are easily adapted.
- Larger buildings with at least some compartmentalised spaces such as an office with kitchen and bathroom that can be adapted.
- Buildings should not require external capital works to make them fit for habitation e.g. they should be structurally sound and be weather-tight.
- Buildings would need to have rooms that could be used as bedrooms and also as space for communal living. Plumbing and heating should be fitted and be in working order. Kitchens and bathrooms can be installed as part of the upfront capital works.
- Buildings should be connected to basic utilities: water, sewerage, and electricity or gas.
- Buildings should have secure doors and windows.
- A fire-risk assessment and other health and safety checks and/or works would need to be carried out in due course.
- Buildings would need to be available for a minimum 6-month lease, preferably up to 3 years (in order to be able to recoup higher set-up and capital works) at zero or peppercorn rent.
- All sites within Oxford would be considered, including outside the ring-road.

12. Two suitable privately-owned properties were identified. The landlords were approached but unfortunately both properties had recently been put on the market for sale.

13. Oxford City Council has a limited number of empty properties. None of these are expected to be empty for longer than 6 months.

14. Officers' main focus has been with Oxford University and officers are currently in the process of engaging with the University to identify potential, suitable buildings. This is an on-going piece of work.

15. At the time of writing this report, no buildings have been identified.

## **Different Models – the processes and Procedures that could be used**

16. Should empty buildings become available, the models that have been considered as appropriate to deliver from empty building and meets the needs of the rough sleeping population are:

- “Guardianship” schemes for a small number of people with low and no needs;
- Shelter-type schemes which temporarily house rough sleepers unable to access existing provision; and
- Emergency provision to be used as part of the City’s Severe Weather Emergency Protocol.

### **“Guardianship” Schemes**

17. “Guardianship” schemes are often for small numbers of people who are in housing need mainly due to affordability issues in the private rented sector. Such a scheme could:

- Provide low-cost, temporary housing to those who are working, allowing them to build up a deposit and move-on into independent private sector accommodation;
- Divert people with low and no support needs away from the homeless pathway, creating more space for people with high and complex needs;
- Help to increase supply in preparation for the introduction of the Homelessness Reduction Act.

“Guardianship” schemes:

- Could be developed in both large and small buildings
- Should be managed by a third party which is a registered provider experienced in managing guardianship schemes and associated risks.

18. A “guardianship” scheme is not suitable for rough sleepers with high and complex needs. Currently, the number of rough sleepers with no or low needs is very low, around 5-7 people. Referrals to such a scheme would normally be managed by an outreach team and/or the Council’s options team. A local connection to Oxford would be required, although it should be noted that people in active employment in the City are normally considered to have a local connection.

19. Financially, “guardianship” schemes are based on a break-even model, and are normally managed through a contract between the owner or landlord and a third-party which is already a registered provider, therefore exempt from HMO status and are experienced in housing management. There are no costs to the landlord. Following a detailed property inspection, a capital works schedule is drafted and costed and set against the rental income and length of lease to test viability. The upfront capital costs are covered by the third-party, usually in the region of £10K.

20. Clients with low or no needs who are working or actively looking for work are issued licenses and charged the under 35s LHA rate for a single room, which is £350 a month in Oxford. A 20% void rate is assumed, therefore in a 5 bed scheme projected annual income would be £16,800. Capital works, set up costs, staff set

up costs and low-level staff support for the duration of the lease would all need to be covered. In addition, tenants would be charged a service charge of circa £10 a week to cover utilities, depending on the nature of the building.

21. The average length of stay in Bristol (a currently operating example of such a scheme) is circa 4 months, after which residents move on into the private rented sector having saved up for a deposit, and somebody else moves in to the scheme. For this to work there might have to be an element of conditionality coupled with support to begin a PRS tenancy.
22. Our conclusion for the time being is that a “guardianship” scheme would not at present meet a priority need which is not already covered by the Council’s and its partners’ existing provision. We would therefore not seek to divert Council, RSL or voluntary-sector funds into setting up such a scheme from scratch in Oxford. However, we will continue to be open to the possibility that such a scheme could be of benefit in the future, if well integrated with existing provision.

### **Shelter Schemes**

23. Shelter-type schemes can provide additional units of emergency temporary housing for rough sleepers throughout the year.
24. Such a scheme would require a larger space, with specific health and safety liabilities and the potential for clients with a wide range of vulnerabilities being suitably addressed. This would require management by a registered provider with experience in homelessness support.
25. This type of scheme would meet the need of people with higher and more complex needs on a short-term basis, of whom there are presently high numbers in Oxford City. Referrals to such a scheme would be managed by the outreach team, and could consider people with no local connection who are engaging with the outreach team, on a short-term basis, whilst all of their housing options are being considered. For those who do not have an established local connection, it would still be a base from which the outreach team could facilitate reconnection to other areas, friends and family, or possibly a diversion to the private rented sector.
26. There is also a challenge in ensuring that a shelter-type scheme would meet the intended need rather than attracting people with a local connection to other areas, potentially straining resources and creating false expectations of access to other services in Oxford which do not have the capacity to meet their needs. Consequently the shelter would have to be professionally managed and closely linked with the Council’s existing services that have been successful in finding services to which out-of-area rough sleepers do have a local connection and securing the assistance of those services for them.
27. Shelter-type schemes, usually up to around 20 units or beds, require a level of revenue funding to provide professional support and co-ordination, usually by a third-sector organisation. These revenue streams remain to be identified, from either the public sector or fundraising initiatives. This could be further supplemented by volunteers and community or faith-based support.
28. It should be noted that long-term Council revenue funding is being targeted at supported, complex needs services in hostels and accommodation based provision

linked to the adult homeless pathway, and funding accommodation services beyond these priorities are very unlikely to be affordable within current budgetary provision.

29. It should also be noted that significant capital works could be needed to adapt buildings in order to make a shelter-type scheme viable. This being the case, it is unlikely to be viable to use a building as a shelter on a short-term basis.
30. However, we remain interested in this model, as compared to a “guardianship” scheme it is a much better match in terms of demand. However, it would require more detailed needs analysis and financial work.
31. In addition, officers are keen to look at how a co-operative model with elements of self-governance and mutual aid could contribute to the longer-term success of a shelter-type scheme.
32. Therefore, City Executive Board is asked to agree to limited further work by officers in partnership with a broad range of stakeholders to further explore this approach, possibly linked to an alternative giving scheme as a way of subsidising a future revenue stream, should an empty building become available. The role of the Council would be limited to that of a facilitator in linking building owners with third party registered providers that could take on the lease and/or management of the building.

### **Emergency Schemes**

33. There is a further need to identify additional venues from which to provide winter provision in Oxford City. Space under the Council’s Severe Weather Emergency Protocol is co-ordinated from, and mainly provided at, O’Hanlon House. Due to the rise in rough sleeping and the closure of Lucy Faithful House and the pending closure in Spring 2018 of Simon House, the Council is working with its faith-based partners to identify additional venues from which to deliver a rolling winter shelter.
34. Additional Severe Weather Emergency Provision could be provided from a suitable empty building. The capital works necessary for emergency schemes are significantly less as the provision is often simply mattresses on the floor. It is essential, however, that fire and health and safety regulations are adhered to. No appropriate empty buildings have yet been identified.
35. It should be noted that emergency winter provision provided under the Council’s Severe Weather Provision Protocol is for all who are rough sleeping, regardless of local connection.
36. The development of a range of winter provision is an identified work stream which includes the development of a rolling winter shelter between January and March in empty Church Halls as well as the Council’s SWEP.
37. There is a limited identified revenue budget with the Homelessness Prevention grant to meet the requirement of SWEP provision.

### **Financial implications**

38. Any additional costs relating to the further development of a “guardianship”, shelter or emergency winter scheme would need to be met from unallocated or unspent funds within the Homelessness Prevention Funds base budget for 2017-2018.

### **Legal issues**

39. It is expected that the Council's role will largely be to facilitate and enable the development of these projects, but it could extend to the possible commissioning of some elements within the envelope of the Homelessness Prevention Funds base budget.
40. It should be noted that the Council will not be able to deliver these schemes directly. As an extension of existing provision, the Council's role would be that of a facilitator and possibly a commissioner of services. It is essential that any new provision complements existing provision, does not duplicate existing services, and operates in full co-operation with existing providers.

**Level of risk**

41. There are no risks relating to this report at this stage. Any potential future work streams will be risk assessed as part of the project plan.

**Equalities impact**

42. An equalities impact assessment is not necessary at this stage, because there are no formal recommendations for approval at this stage.

**Conclusion**

43. Oxford City is currently facing an unprecedented challenge in terms of rough sleeping, requiring this Council to harness all of the resources available in the City, from a broad range of stakeholders who can provide innovative solutions which have not been previously explored.
44. The Council is keen to extend our partnership approach to the voluntary sector, church and student groups. We should focus on the significant common ground and vision we have to end rough sleeping, and aim through co-operation to broaden and strengthen the ideally leading to a City-wide commitment to tackle rough sleeping and the complex issues arising from it.
45. This report therefore seeks approval from CEB to develop this area of work further as part of Oxford City Council's overall strategy to end rough sleeping.

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**Background Papers:** None

**Please note in the table below the version number of your report that was finally cleared at each stage**

<b>Report Stage</b>	<b>Version Number</b>
<b>First Draft:</b> <i>Commissioned and cleared by Director</i>	V3
<b>Second Draft:</b> <i>Cleared by Legal and Finance</i>	V4
<b>Organisational Draft:</b> <i>Cleared by the Chief Executive</i>	V5
<b>Final Draft:</b> <i>Cleared by the Board Member</i>	
<b>Final Report:</b> <i>Cleared by Labour Group</i>	