

Report of: Community Housing Business Manager

To: Executive Board

Date: 5th November 2007

Item No:

Title of Report : Young Parents' Support Worker / Discounting Service Charges for Young People in Temporary Accommodation

Summary and Recommendations

Purpose of report: To respond to two recommendations contained in the Health Scrutiny Panel review of health services for young people in temporary accommodation.

Key decision: No

Portfolio Holder: Councillor Patrick Murray (Improving Housing)

Scrutiny Responsibility: Housing Overview & Scrutiny Committee

Ward(s) affected: All

Report Approved by

Portfolio Holder: Councillor Patrick Murray (Improving Housing)

Legal: Jeremy Thomas, Legal and Democratic Services

Finance: Suzan Smart, Financial and Asset Management

Strategic Director: Michael Lawrence

Policy Framework: None

Recommendation(s):

- a) That the Board should not recommend the creation of a Young Parents' Support Worker post to the Children and Young People's Board.
- b) That officers be asked to work up a budget bid to be considered as part of the budget process to finance the creation of a discretionary fund.
- c) That, should funding be made available, Board approve the creation of a discretionary fund to be used to subsidise the service charge costs of young people in temporary accommodation.

Background

1. A review of access to health services for residents of temporary accommodation was carried out by Scrutiny Officers, for the Health Scrutiny Panel. The report recommended, amongst other things, the creation of a dedicated Young Parents' Support Officer post, to be jointly funded by relevant agencies (including Oxford City Council). Officer response to this suggestion was that, as no budget existed to fund the post, the recommendation should not be passed on to the Children & Young People's Board. The review also drew attention to the problems faced by young people in temporary accommodation in respect of service charge payments. This report addresses both of these issues.

Young Parents Support Worker

2. Since the Health Scrutiny Review was carried out, the Oxfordshire Supporting People Partnership have launched a tender process which will lead to the creation of two floating support services within the city. The service specification for the two teams specifies that each team shall have a lead officer with responsibility for young people (including young parents), and that those officers shall each be co-located with the Joint Housing Team for at least part of the working week, and shall work closely with the team to ensure that support is delivered effectively across the city. Officers believe that this reshaping of floating support services (together with the existing Teenage Parents' Support Worker) provides sufficient resources to remove the need for an additional dedicated Young Parents' Support Worker, and therefore recommend that the Executive Board should not implement the recommendation of the Health Scrutiny Panel Review.

Discounting Service Charges for Young People in Temporary Accommodation

3. Concern has been expressed over the level of the service charge that young people are required to pay while in temporary accommodation.
4. The current service charge rate is set at £15.50 per week. (£13.50 for Heating & Lighting, and £2.00 for Water/ Sewerage). This amount was agreed by Executive Board on 19th March 2007 for the 2007/08 year. The amount is not eligible for Housing Benefit.
5. It is acknowledged that the service charge is high, but it has been set at this rate to cover the actual costs of paying these utility bills across all Private Sector Lease (PSL) properties. A number of properties with shared units and common areas have recently been surrendered, and it is expected that this will reduce the average

costs, as the utility costs for these units were substantially higher. Work is also being undertaken to improve the energy efficiency of PSLs and to reduce costs further.

6. Income Support and Job Seeker Allowance rates are generally as follows for single persons:

Age	Rate
16-17	£35.65
18-24	£46.85
25 and over	£59.15

16 and 17 year olds living independently in accommodation receive a higher rate however, equal to that paid for 18 to 24 year olds.

Because we 'pool' all utility charge costs and then charge this at a 'flat rate' it means that it has a disproportionate impact on young people. The following table shows the service charge as a proportion of weekly income and also the amount of benefit left over if it were paid:

Age	Service charge as a percentage of income	Remaining Income
16-24	33%	£31.35
25 and over	26%	£43.65

7. The difficulty this issue causes young people was identified in the Health Scrutiny report on Temporary Accommodation. It has also been raised by the Connections Service, at the Accommodation Panel and through the Joint Housing Team. The difficulty is also seen by Housing Needs staff, especially in rent collection, as the under 25 year old client group (especially under 18's) are those least likely to be paying their weekly rent contribution, which results in action being taken against them to end their tenancy.
8. There are approximately 40 young people in the Council's PSL accommodation. (11 aged 16-17 years and 29 aged 18-24 years). Many clients in this younger age group have previously been more commonly placed in shared accommodation rather than self-contained. However, improvements to the standard of temporary accommodation have now converted all but five units to self contained, and all units are charged at the same rate.

Options

9. Option 1

One option is to leave the situation as it is. This will continue to present difficulties to the under 25 year olds in temporary

accommodation, in terms of being able to afford the rent. This is likely to continue to result in rent arrears and action being taken to evict many of this client group.

10. Option 2

Another option is to effectively 'discount' that part of the service charge payable directly by under 25 year olds. It is recommended that this be done by way of a payment from a discretionary fund, rather than through the actual discount of the rent.

Should such payment be £10 per week, this would have the effect of requiring the client to only pay a 'top-up' of £5.50 per week. This would increase the available income to the client, after paying this charge, to a level more similar to those 25 years and over.

Age	Payable service charge as a % of income	Remaining Income
16-24	12%	£41.35
25 and over	26%	£43.65

This option will cost approximately £20,000 per annum based on the current levels of young people in temporary accommodation remaining constant, however, it should be noted that:

- The number of young people placed in temporary accommodation is declining (due to increased homeless prevention work and the development of alternative housing options for young people). This will result in reduced costs over time.
- A significant proportion of the service charge from young people is not collected at present, so this option does not have a 'direct' cost to the Council of £20,000 as this should be off-set by increased rental income, a reduction in court costs, and a reduction in former tenant arrears.

The change could be introduced during the 2007/08 financial year, if sufficient funds (approx £10,000) are identified for this purpose.

11. Issues to resolve

Should Councillors wish to pursue Option 2, then some issues will need to be resolved. This includes obtaining legal confirmation that the use of a discretionary fund in this manner is lawful. Early indications are that it is, but the Council may wish to seek the advice of Counsel before implementing this, on the advice of Legal. (This will also have a cost.)

An administrative method of separately identifying the PSL rent accounts of under 25 year olds and of crediting these accounts with £10 per week will also be required.

12. Recommendations

a) That the Board should not recommend the creation of a Young Parents' Support Worker post to the Children and Young People's Board.

b) That officers be asked to work up a budget bid to be considered as part of the budget process to finance the creation of a discretionary fund.

c) That, should funding be made available, Board approve the creation of a discretionary fund to be used to subsidise the service charge costs of young people in temporary accommodation.

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Background papers: None