



Derby City Council

COUNCIL CABINET

10 June 2015

ITEM 11

Report of the Cabinet Member for Urban
Renewal

Lease of Properties to YMCA Derbyshire.

SUMMARY

- 1.1 Ambition East Midlands is a partnership project being run by the YMCA Derbyshire, P3 and The Y charities. The project successfully attracted £2.95 million from the Fair Chance Fund which is a national 'Social Finance' payment by results government initiative. The partnership project was launched in January 2015 with YMCA Derbyshire leading the service in Derby.
- 1.2 Within Derby, 140 young homeless people have been identified to potentially benefit from this scheme, which would support them to access and sustain accommodation, volunteering, education and training over a three year period. The project could also bring up to £1 million directly into the City through the government funding which would finance the support packages for these young people.
- 1.3 YMCA Derbyshire is seeking support from the Council for this pilot project, requesting that it leases up to 24 flats to accommodate these young people for the duration of the scheme. Four other housing providers within the City are also supporting the scheme.
- 1.4 Ambition East Midlands intend to accommodate participants of the scheme initially in short term accommodation at the YMCA premises on London Road, then moving suitable participants into properties leased from the Council and other providers.

RECOMMENDATION

- 2.1 To authorise the leasing of up to 24 flats to YMCA Derbyshire RP, for the duration of the project which ends in January 2018.
- 2.2 To delegate authority to agree terms for the leases, to the Acting Strategic Director of Neighbourhoods, in consultation with the Acting Strategic Director of Adults, Health and Housing and the Director of Legal and Democratic Services.

REASONS FOR RECOMMENDATION

- 3.1 To enable homeless young people to benefit from secure accommodation whilst receiving support into training and employment thereby supporting the objectives of the Council's adopted Homelessness Strategy 2015-18.



SUPPORTING INFORMATION

- 4.1 There are a number of reasons why homeless young adults are unable to access housing, including limited bed spaces, affordability issues, lack of shared housing provision and the complexity of their needs. This often leads to deepening issues such as involvement in crime, rough sleeping, substance misuse and long term benefit dependency. Early intervention is needed to prevent young homeless people developing higher needs and falling into long term homelessness.
- 4.2 Young people often become homeless because they are forced to leave their current accommodation and are not able to find a suitable alternative. Underlying structural factors such as unemployment rates and lack of affordable housing, particularly shared accommodation, create conditions which can cause homelessness to rise.
- 4.3 Individual factors such as leaving an institution can be a cause of homelessness and Crisis quote that around a third of young homeless people nationally, identify that their leaving care was the turning point that resulted in homelessness. Welfare reform such as the introduction of the Shared Accommodation Rate (SAR) for Housing Benefit can be a barrier for young people to access accommodation. The SAR which is applicable for young single people, being the lowest level of Housing Benefit, intended to cover the cost of a shared room, means that these young people are only able to access the lower end of the private rental market. Private landlords are often attracted to other competing groups for shared accommodation such as students.
- 4.4 There is a clear need in the City for a scheme that provides more holistic joined up support for these young adults compared to traditional schemes that have focused either on a housing solution or on training and employment support but have not linked the two together.
- 4.5 Ambition East Midlands is a partnership project being run by the YMCA Derbyshire, P3 and The Y charities. The project successfully attracted £2.95 million from the Fair Chance Fund which is a national payment by results government initiative. The partnership project was launched in January 2015 with YMCA Derbyshire leading the service in Derby.
- 4.6 Each young adult referred to Ambition will have a link worker who will provide intensive, personalised support that begins by helping them find a stable place to live. They will also be offered guidance on education, training and employment options for the duration of the three year project that will help them avoid the cycle of homelessness.

- 4.7 This 'housing-first' model is supporting vulnerable young people to access stable housing and achieve their full potential in education, training and employment. Working alongside local organisations this project will assist young people in becoming valuable, contributing citizens. This project is a key, second phase, of a carefully tailored 'Housing Pathways' model for young homeless people in the City, enabling them over time, when their need reduces to access longer term affordable accommodation, where they can remain engaged with education, training and employment. The final third phase is currently subject to a bid by the Council to the Platform for Life programme which if successful, will enable young people to transition through bespoke shared accommodation, providing continued stability for them to remain engaged in training and employment activities, before taking up a permanent tenancy.
- 4.8 The Council is taking an active role in identifying people eligible for the scheme. Eligibility is as follows:
- Aged 18 – 24 (21+ if care leavers)
 - Not in employment, education or training
 - Homeless but not in priority need
 - A priority for local authority support but unable to be accommodated in a supported housing scheme.
- 4.9 People eligible for the scheme are being identified through approaches to the Council's Single Point of Entry (SPE), existing residents of Milestone House and a search of the Homefinder waiting list. YMCA are not an existing Homefinder partner and nominations into the project would not therefore be through Homefinder or the Council's allocation policy. Rather, it would be a condition of the proposed lease arrangement with the YMCA that all the leased properties would be made solely available to people accessing the scheme who would be referred by the Council.
- 4.10 In supporting this scheme, through a combination of a lease arrangement for up to 24 properties and referrals through SPE and the Allocations team, we expect move on from Milestone House to be improved, alongside improved tenancy sustainment for these young people once the scheme concludes.
- 4.11 We anticipate those successfully exiting the scheme will be awarded additional housing need recognition when then registering with homefinder, to reflect their participation in the project aligned to a pre-tenancy course. Amendments to the Council's Allocations Policy were agreed by Cabinet in January this year which includes a requirement for new tenants to participate in a pre-tenancy course. Those young people leaving the scheme, will be considered for further housing support in accessing longer term affordable housing in the City, to ensure their training and employment is not disrupted through housing instability.
- 4.12 Properties identified for lease to Ambition East Midlands will be used for shared accommodation. We anticipate the majority of properties leased will be 2 bedroom above ground floor flats.

- 4.13 Ambition East Midlands will be liable to pay a rent to the Council for the leased properties and will seek to recover these costs through eligible housing benefit applications.
- 4.14 This pilot project has been in operation since 1st January 2015 and during the first quarter period to end of March, YMCA have met or exceeded all of their agreed targets being the highest performing Ambition East Midlands partner.

OTHER OPTIONS CONSIDERED

- 5.1 The Council could choose not to lease its properties to the scheme. This would however not provide valuable supported accommodation for young homeless people in the City and would place at risk the overall success of the Ambition East Midlands project which is receiving support from other housing providers in the City.
- 5.2 Not to participate in the scheme would compromise the Council's ability to deliver the actions relating to youth homelessness contained within its adopted Homelessness Strategy 2015-18.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Olu Idowu, Head of Legal Services Toni Nash, Head of Finance Liz Moore, Interim Head of Service, Strategic Human Resources Support Alistar Burgh, Interim Head of Asset Management and Estates Perveez Sadiq, Interim Strategic Director of Adults, Health and Housing
For more information contact: Background papers: List of appendices:	Ian Fullagar Head of Strategic Housing 01332 643405 ian.fullagar@derby.gov.uk None Appendix 1 – Implications

IMPLICATIONS

Financial and Value for Money

- 1.1 The Council will receive rent for each property leased to the project. In addition, the young people entering the scheme will be referred by the Council's Single Point of Entry, Milestone House or Homefinder.

Legal

- 2.1 The YMCA will be required under the terms of the lease with the Council, to make these properties available exclusively to young people participating in this scheme. As the YMCA is not a Homefinder partner, nominations will not formally be made through Homefinder or the Council's allocation policy, although clearly both Homefinder and the Council's Single point of Entry will refer suitable young people to the YMCA.
- 2.2 Having the 24 properties leased and occupied in this way is permitted, as an exception to allocation through Homefinder, as a corporate initiative.

Personnel

- 3.1 None arising from this report

IT

- 4.1 None arising from this report

Equalities Impact

- 5.1 This is an ideal opportunity to support young people to move on with their lives.

Health and Safety

- 6.1 None arising from this report

Environmental Sustainability

- 7.1 None arising from this report

Property and Asset Management

8.1 Incorporated within the body of this report

Risk Management

9.1 The YMCA through the lease agreements would under-take to pay the Council a rent for each property. The YMCA would therefore carry the financial risk arising from any void properties or delays in accessing Housing Benefit payments.

Corporate objectives and priorities for change

10.1 This project will contribute towards creating;

- An inspiring start in life by improving educational attainment
- An inspiring working life by improving skills and creating jobs
- An inspiring place to live by improving inner city areas.