

## **Homelessness Strategy 2010-2014**

### **SUMMARY**

- 1.1 Homelessness is the most extreme form of housing need and the social and political necessity for tackling it is well established.
- 1.2 Furthermore, local authorities have a legal duty to homeless people as specified in Part 7 of the Housing Act 1996, and by the Homelessness Act 2002.
- 1.3 Since the publication of Derby's first Homelessness Strategy in 2003, there have been dramatic improvements in the city's response to homelessness: The number of households accepted as homeless has fallen by over 75% and repeat homelessness has been eradicated almost entirely.
- 1.4 The 2003 Strategy has now expired. With demand for Housing Services remaining high, and against a backdrop of economic downturn, tightening funding streams and greater personal debt, the challenge ahead is only likely to intensify.
- 1.5 The new Homelessness Strategy for the period 2010-2014, has been drawn up to meet this challenge. It sets out our vision, key objectives and detailed actions - for increasing prevention measures, improving services and reducing homelessness in Derby over the next five years

### **RECOMMENDATION**

- 2.1 That the Homelessness Strategy 2010-2014 be adopted by Cabinet.

### **REASONS FOR RECOMMENDATION**

- 3.1 The purpose of the new strategy is to put in place a coherent and explicit framework which will enable the Council and its partners to:
  - a) Continue to prevent homelessness.
  - b) Ensure there is sufficient accommodation available for people who are or may become homeless.
  - c) Ensure there is satisfactory support for people who are, or may become homeless, or need support to prevent them from becoming homeless again.

## **Background**

- 4.1 Derby's previous Homelessness Strategy was written in 2003. Since then there have been significant changes to the context in which services are delivered and the demand for those services.
- 4.2 These include changes to:
- a) *Government Guidance and the Political/Legal Framework*. The Government has supplemented primary legislation with continuing guidance to local authorities and a number of further policy initiatives. These relate not only to the general strategic approach at local level but also to specific issues such as rough sleeping, partnership working, use of temporary accommodation and B&B and 'Supporting People' initiatives
  - b) *Demographics*, including the impacts of migration and changes to the average household size, age and composition
  - c) *Economic and financial context*, including housing market changes and the effects of the recession. Funding streams to service providers are also affected as a consequence.
  - d) *The profile of service users*. Although certain groups persistently comprise the majority of those at risk of or actually homeless (such as young people and single parents) the causes of homelessness have been changing. In 2003, persons fleeing domestic violence accounted for 23% of all cases; but by 2009 this had fallen to 2.7%. The primary cause of homelessness has now become 'eviction' by family/friends, and accounts for over 40% of cases. Furthermore, many of the persons applying for housing support are presenting with multiple needs of increasing complexity and severity. This translates into a need for an expanding level of resources to be able to respond appropriately.
- 4.3 These changes result in the need for a new, up-to-date and relevant strategy – a need which is increased further by additional changes likely to impact on service demand and delivery in the years ahead. For example, cuts to housing benefit will reduce housing affordability and stability for tenants, while funding pressures on providers will impact on the supply of services and accommodation.
- 4.4 The uncertain outlook for the future entails that the strategy will not be a description of a 'rigid progression' of actions, but will be subject to constant review. It is therefore a dynamic document – subject to change in the light of the changing circumstances in which services are delivered.
- 4.5 The content and goals of the new strategy have been drawn up in consultation with a wide range of stakeholders including service providers, service users and elected members. A full Equalities Impact Assessment has also been undertaken with participation from members of the equalities forums.
- 4.6 The strategy in full can be found at:  
<http://cmis.derby.gov.uk/CMISWebPublic/Binary.ashx?Document=16693>

- 4.7 It contains a clear vision, four key priorities, and a detailed action plan containing 43 specific actions. The key priorities are to:
- a) Continue to improve on the progress made to date in preventing and reducing homelessness.
  - b) Support vulnerable homeless people and specialist needs groups to access suitable, settled and stable accommodation.
  - c) Integrate housing support more closely with other support services in order to tackle social and financial exclusion and promote long-term sustainable solutions.
  - d) Further strengthen partnership working and the co-ordination of services so that Derby can meet its objectives with greater efficiency and effectiveness.
- 4.8 The strategy sets out our plans for continuously improving effectiveness in the prevention and alleviation of homelessness in Derby, for the next five year period.

**The possible consequences of failing to implement and resource the Homelessness Strategy**

- 4.9
- a) *Performance* – A reduction in performance will affect the ability to achieve homelessness targets and this could result in an increase in homelessness levels.
  - b) *Corporate image* – A reduction in service provision for preventing homelessness could generate negative publicity and portray the Council as an organisation that doesn't care sufficiently about vulnerable and marginalized people in our society.
  - c) *Economic* – Preventing homelessness saves money when compared to the cost of providing temporary accommodation and re-housing into alternative accommodation, as demonstrated in the 'value for money' section below. Therefore, reductions in homelessness prevention services might achieve short-term savings but could cost a considerably more in the medium/long-term. This will be seen not only in the provision of accommodation for those that become homeless, but also through greater demands for service provision from other areas such as social services, the police, the NHS, etc.
  - d) *Environmental* – There is likely to be an increase in the number of people sleeping on the streets. Other street activities such as begging, drinking, and prostitution are also likely to increase.
  - e) *Legal* - Local authorities have a statutory duty to prevent homelessness. Reductions in service provision could have a detrimental impact on the local authority's capacity to fulfil this duty satisfactorily and result in an increased number of people being owed the full housing duty.

<b>OTHER OPTIONS CONSIDERED</b>
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- 5.1 Doing nothing is not an option, for the social, political and legal reasons described in 1.1 and 1.2 above
- 5.2 Implementing a less robust and well-resourced strategy risks some of the negative impacts described in 4.9 above.

**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	Olu Idowu David Enticott Not consulted Mark Menzies
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<b>Background papers:</b>	None

<b>IMPLICATIONS</b>
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**Financial**

- 1.1 The strategy contains a commitment to provide certain services. These have cost implications which must be contained within the revised housing budgets.
- 1.2 The strategy contains no commitments for additional funding but it does include a number of objectives which imply an expansion of an existing service or a diversification into new types of service provision. Where these objectives cannot be met from the revised housing budgets they should be deemed 'aspirational' and subject to additional funding being found.

**Legal**

- 2.1 The Council will be able to continue to provide excellent homelessness services and discharge its statutory functions.

**Personnel**

- 3.1 None directly arising from this report.

**Equalities Impact**

- 4.1 A full Equalities Impact Assessment has been conducted on the Homelessness Strategy.

**Health and Safety**

- 5.1 None directly arising from this report.

**Carbon commitment**

- 6.1 None directly arising from this report.

**Value for money**

- 7.1 Legislation requires the authority to develop and implement a strategy which tackles homelessness. In principle there are two ways of approaching this – tackling homelessness *after* it has arisen, or focusing on early intervention and prevention. Derby's focus is primarily on prevention and the value for money considerations are as follows:
- 7.2 Research by the University of Heriot-Watt published in 2007 demonstrated that preventing homelessness can save money when compared to the cost of helping someone who is already homeless. For example:
  - a) The cost per person of successful mediation (estimated at £600) is around 9

times less expensive than providing alternate settled accommodation.

- b) The costs of home visits are estimated to be 3.5 times less expensive than providing alternate settled accommodation. This is based on running costs of around £15,000 per annum, assuming 50% of a case officer's time.
- c) Advice on housing options (e.g. resolving Housing Benefit problems, rent or service charge arrears, negotiation/legal advocacy) is estimated at around 9 times less expensive than providing alternate settled accommodation.
- d) The costs of a rent deposit scheme are estimated to be 8.5 times less than the costs of providing accommodation under the main homelessness duty. This is based on the assumption of an average of £800 per case with re-payment of 25% of deposits awarded. (In Derby the average deposit is half of this figure, around £400 per property)
- e) The cost of operating a rent bond scheme is 37 times less than the average cost of providing accommodation under the main homelessness duty. This is based on the assumption that the average claim rate against bonds is 10% per annum.
- f) The sanctuary scheme represents a saving of 5.5 times the costs of providing accommodation under the main homelessness duty.

These savings are summarised in the table below;

7.3

Value for Money Ranking	Prevention Measure	Savings compared to cost of meeting main homelessness duty
1	Rent bond scheme	37 x
2	Advice on housing options	9 x
3	Mediation	9 x
4	Rent deposit scheme	8.5 x
5	Sanctuary scheme	5.5 x
7	Home visits	3.5 x

- 7.4 Derby's focus on early intervention rather than a reactive response is therefore demonstrated to be the most cost-effective means of addressing homelessness.

### Corporate objectives and priorities for change

- 8.1 This proposal promotes the Council's corporate objectives and feeds into a number of the city areas, particularly a *City with Stronger, Safer and Cleaner Communities* and a *Healthy City*.
- 8.2 The proposal also links into the action plan for achieving our Sustainable Communities Strategy as follows:
  - a) NI 2 People feeling they belong to their neighbourhood.
  - b) NI 32 Repeat incidents of domestic violence.
  - c) NI 117 Number 16-18 year olds who are not in education, training or employment.
  - d) NI 141 Number of vulnerable people living independently.
  - e) NI 154 Number of homes provided.
- 8.3 The proposal supports tackling homelessness and enabling vulnerable adults to live safe, clean and independent lives. It will therefore almost certainly also support the objectives of the emerging Derby Plan.