



Derby City Council

**URBAN RENEWAL CABINET MEMBER
MEETING
12 June 2015**

ITEM 4

Report of the Acting Strategic Director for
Adults, Health and Housing

Platform for Life - Capital Funding Bid.

SUMMARY

- 1.1 The Platform for Life Fund, administered by the Homes and Communities Agency, is a new programme for shared accommodation let at an Affordable Rent for young people aged 18-24, who are homeless or at risk of homelessness or in housing need. The aim is to provide a stable place to live, where residents can be supported into training and education, linked effectively into existing health services, and encouraged into long term employment, independence and healthy living. This is not intended to be supported housing in the traditional sense, but is aimed at young people with low support needs who want to work or study, but need stable accommodation to do so.
- 1.2 Derby City Council propose to submit a bid for funding, in partnership with Derby Homes, which will involve six houses currently part of the existing social housing stock, and the purchase of a further 6 properties on the open market. These properties, to be managed by Derby Homes, will be located in areas which will support apprenticeships and local training and educational initiatives offered by the city's key employers, Rolls Royce and Toyota and with easy access to Derby College and University, enabling young people to pursue their training and education from a stable home. The accommodation will be shared, resulting in the overall bid supporting 24 young people to improve their prospects for a healthy and successful life. There will be some limited upgrading costs to this housing portfolio.
- 1.3 Should this bid be successful, this will fulfil the final stage of a Housing Pathway, enabling young people transitioning through temporary accommodation and who have benefited from support, to secure stable accommodation whilst they continue to acquire employment skills and training and wider employment opportunities.
- 1.4 The bid requests grant approval of £210,000 for the delivery of 6 shared dwellings in the private sector.

RECOMMENDATION

- 2.1 To authorise a bid submission by DCC for grant funding as outlined in this report, under the Platform for Life Programme.

- 2.2 To seek the approval of the Cabinet Member for Urban Renewal to the proposal set out in recommendation 2.1

| |
|-----------------------------------|
| REASONS FOR RECOMMENDATION |
|-----------------------------------|

- 3.1 To enable young people in housing need to benefit from secure accommodation whilst receiving support into training and employment.



SUPPORTING INFORMATION

- 4.1 Homeless young adults and young adults in housing need seeking some stability in housing, face a number of barriers, 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 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 young people are only able to access the lower end of the private rental market. As a consequence, there is extremely limited supply of shared accommodation in the city for young people to occupy on a shared basis. This can have a significant impact on a young person's ability to secure and sustain employment training and education.
- 4.3 Whilst the YMCA Ambition East Midlands project is currently funded to deliver temporary accommodation with support to young people in housing need, there is no dedicated provision in the city to ensure that stable accommodation is available, once such individuals are ready to move on with their lives and into independent shared accommodation.
- 4.4 This bid proposes to address this lack of accommodation and ensure that young people identified as being suitable for independent living with little or no support, will be enabled to move into purposely developed accommodation which is affordable and which will provide continued stability for them to access or further their education, employment and training opportunities.
- 4.5 The intention is to allow young people to benefit from a positive peer environment, where they can establish the habit of regular work or study and learn the skills to live independently. Tenancies will be time limited; after a period of 2-4 years, tenants will move on to other accommodation, possibly in the private rented sector.

During their occupation, tenants will be offered signposting and support to access mainstream services; it is expected that Platform for Life grant will allow Derby Homes to fund a low level of support from rental income.

- 4.6 This project will be delivered in partnership with Derby Homes who will manage the tenancies, providing limited support, and will enable a number of referring agencies to nominate suitable young people to the scheme, including the YMCA, Rolls Royce, Derby College and Toyota. This scheme will be restricted to young people who are working, training, studying or applying to do so; tenancy agreements will therefore

include a condition that young people accept support to re-engage in work or education if they lose employment, or finish or are excluded from a course.

OTHER OPTIONS CONSIDERED

- 5.1 The Council could choose not to support this bid. This would however, result in not being able to provide affordable accommodation for young people in housing need who are at the point in their lives where they are able to access employment training and education.

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 Toni Nash Liz Moore Alistair Burg HOS- Ian Fullagar |
| For more information contact: Background papers: List of appendices: | Angelina Novakovic: tel: 01332 640330/07974079188 Angelina.novakovic@derby.gov.uk None Appendix 1 – Implications |

IMPLICATIONS

Financial and Value for Money

- 1.1 The Council will be able to secure grant funding equating to £210,000 from the Platform for Life Programme. At an assumed average acquisition and works price of £131,500 per dwelling, applying £35,000 grant per dwelling, the dwelling will break even on a cumulative revenue basis in Year 42. This breakeven period is assumed on the basis of borrowing over 50 years on an annuity in line with the Council's normal practice. As such generating a cumulative revenue surplus before the end of the loan term represents prudent financial practice and good value for money.

Legal

- 2.1 Subject to cabinet member approval to the proposal, there are no specific implications arising from this report.

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 move on with their lives. At least one of the homes need to be accessible for any disabled young people wanting to go on this scheme

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 The lease and licence documentation will need to be carefully arranged and

managed to avoid creating unintended longer term occupation.

Risk Management

9.1 None arising specifically from the bid itself.

Corporate objectives and priorities for change

10.1 A strong community.