

Local Government Association (LGA) Briefing

Preventing homelessness in the context of the current Spending Review

House of Lords debate

4 February 2016



Key messages

- We would like to work with the Government and our full range of partners to explore how public service reforms can better support councils and their partners in tackling homelessness locally.
- Drivers of homelessness are often personal to the individual. However, there are a number of structural factors that make it more likely, particularly trends in the housing market and labour market, and the capacity of the welfare system to mediate the impact of these trends on individuals.
- Councils are delivering homelessness strategies that seek to respond to local conditions. Local approaches led by councils are best placed to succeed in reducing homelessness, as they are able to shape housing markets and target the delivery of services to prevent and respond to homelessness.
- Local government is keen to discuss reforms that will better help councils tackle homelessness across all groups, by giving them the tools to deliver change, and the support of a wide range of public services helping deliver a coherent local strategy.
- Given the significant financial challenge for councils, and the likely impact of housing and welfare reforms, it is absolutely crucial that any new or extended duty on local government must be fully funded.

Homelessness and the availability of social housing

Wider housing market trends are significant in determining levels of homelessness. Building is well below the levels required for an efficient and fully functioning housing market.

This has caused an increase in rents and prices that can make independent living more difficult. Figures published by Department for Communities and Local Government (DCLG) show there were 136,000 starts and 131,000 completions in the year to Quarter two 2015. Meanwhile, estimates of housing need vary around the 220,000 to 250,000 mark.

The growing uncertainty of private rented housing increases the significance of providing a sufficient supply of genuinely affordable housing options for helping reduce homelessness. A third of new homelessness cases now emerge from a private tenancy ending, it is likely that this trend will continue to grow and should be a focus of future policy.

Briefing

Stable social housing is therefore increasingly important for housing people who are homeless or at risk. However, the availability of social rented council housing has halved since 1994, dropping from 3.6 million properties to 1.6 million properties in 2016.

Social house building has fallen from 35,000 in 2010/11 to 26,000 in 2013/14, and an increasing proportion of sub-market rented homes are at the higher 'affordable' rent rather than social rent. In 2013/14, 60 per cent of new sub-market rented homes built were for affordable rent, up from two per cent in 2011/12.

Supported housing provides accommodation support for vulnerable people, including homeless people with complex needs. Analysis from the National Housing Federation suggests there are 110,000 places in supported housing for those of working age in 2015/16, around 15,000 fewer places than was needed. This shortfall is set to grow to 30,000 fewer places by 2019/20ⁱ.

Any successful strategy to prevent and reduce homelessness must include a drive to increase the supply of housing overall, and in particular sub-market rented options and supported housing.

Measures taken by local authorities to deal with homelessness

Councils have developed five year strategies for dealing with homelessness. They are having to do this within a wider context of financial uncertainties, welfare reforms, and shifting housing and planning policy.

Local government is having significant impact. In 2009/10, 85 per cent of 165,200 cases where action was taken was successful in preventing homelessness. In 2014/15, 93 per cent of 220,800 cases were successful in preventing homelessness.ⁱⁱ

The key objectives for councils are:

- **Providing strategic leadership:** Councils help to bring a range of local partners and providers to work towards a single vision for reducing homelessness over the short, medium and long term.
- **Minimising demand for homelessness services:** This can include councils identifying groups at risk, for instance single people, young people, or victims of domestic abuse. Councils work with local partners to deliver services seeking to prevent homelessness, for instance by offering advice, supporting independent living and relationship skills, and working with landlords to create an appropriate housing offer.
- **Reducing crisis cases among core groups:** Councils and local partners help to identify and target individuals at acute risk, and seek to offer advice and support as early as possible. This can include services such as family support and mediation or health and targeted interventions.
- **Providing appropriate accommodation options:** Councils help to facilitate access to different housing options, working with the private rented sector to facilitate access to quality options for all tenant types and allocating social housing. Councils also allocate temporary and supported housing and providing a route into other tenures.
- **Moving people away from homelessness:** We offer support to prevent people from becoming homeless again, working with a range of local services

to support people maintain their tenancies, sustain employment and to build effective relationships.

Local authorities should maintain the flexibility and funding to continue improving how they deliver services to prevent and tackle homelessness with their partners.

The implications of the statutory duty of care, and possible extension to those in danger of homelessness, particularly single people

Councils want to help everyone at risk of homelessness and to support those who are homeless into accommodation as soon as possible. However, they cannot tackle this challenge alone because local government is contending with significant cuts to their budgets, falling social housing availability and welfare reforms.

Successful homelessness strategies require all public services to contribute in a way that responds to the personal needs of every individual. This can be difficult to achieve in a fragmented and centrally driven policy and service landscape.

We want to discuss with the Government the wider public service offer in reducing homelessness across all groups, and how councils can contribute to that. It is absolutely crucial, however, that any proposals to extend statutory duties are fully funded by central Government. Proposals need to be developed in consultation with councils and other public services whose participation will be integral to delivering success.

ⁱ Supported housing: understanding need and supply, National Housing Federation/Sitra, 2015

ⁱⁱ DCLG Live Tables 787