



House of Commons  
ODPM: Housing, Planning,  
Local Government and the  
Regions Committee

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# Homelessness

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## Third Report of Session 2004–05

### *Volume II*

### *Oral and supplementary written evidence*

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## **The ODPM: Housing, Planning, Local Government and the Regions Committee**

The ODPM: Housing, Planning, Local Government and the Regions Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Office of the Deputy Prime Minister and its associated bodies.

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### Background Papers:

- B/P 01 – Community Foundation: ‘Youth Homelessness Strategy’ and YHI Info sheet
- B/P 02 – ‘Social Concern and social enterprise – the origins and history of Focus Housing’ by Kevin Gulliver, 2000.
- B/P 03 – ‘The Real Deal – Annual Report 2004’, Prime Focus Group
- B/P 04 – ‘Focusing on your future’ – Focus Futures.
- B/P 05 – CD Rom: ‘The Regeneration of Willenhall, Coventry’
- B/P 06 – Birmingham City Council Housing Department ‘Homelessness Review And Strategy’ July 2003
- B/P 07 – St Basils Project – Information and Annual Review 2004
- B/P 08 – Snow Hill information
- B/P 09 – Shelter - Homelessness to Home Birmingham. Birmingham Visit – additional facts and information.
- B/P 10 – ‘Local Authorities’ Homelessness Strategies – Evaluation and Good Practice’, Office of the Deputy Prime Minister, November 2004
- B/P 11 – ‘Effective Co-operation in Tackling Homelessness: Nomination Agreements and Exclusions’, Office of the Deputy Prime Minister, November 2004
- B/P 12 – ‘Homelessness Strategies: Moving Forward’, Policy Briefing 9, Office of the Deputy Prime Minister, November 2004
- B/P 13 – ‘Local Authorities’ Homelessness Strategies – Evaluation and Good Practice’, Homelessness Research Summary No.1, Office of the Deputy Prime Minister, November 2004
- B/P 14 – ‘Veterans – Rights for former servicemen and women and their families’, CLS Direct Information leaflet 25, Community Legal Service, Aug 2004
- B/P 15 – ‘Resources for homeless ex-service personnel in London’, MoD Ex-service Action Group on Homelessness (ESAG), Jan 2004
- B/P 16 – ‘The Ex-Service Action Group on Homelessness – 5 Years of Action’, MoD ESAG, Jan 2004
- B/P 17 – ‘50:50 The BIG Stat: St Mungo’s Big Survey into the problems and lives of Homeless People’, St Mungo’s, Nov 2004
- B/P 18 – St Mungo’s Newsletter, Christmas 2004
- B/P 19 – ‘Getting a life – St Mungo’s Annual Review 2004’, St Mungo’s 2004

# Oral evidence

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## Taken before the Office of the Deputy Prime Minister: Housing, Planning, Local Government and the Regions Committee

on Tuesday 26 October 2004

Members present:

Andrew Bennett, in the Chair

Sir Paul Beresford  
Mr Clive Betts  
Chris Mole

Mr Bill O'Brien  
Mr Adrian Sanders

*Witnesses:* **Professor Suzanne Fitzpatrick**, Director, and **Mr Nicholas Pleace**, Senior Research Fellow, Centre for Housing Policy, University of York, examined.

**Q1 Chairman:** Can I welcome everyone to the first session of the Committee's inquiry into homelessness. Before I turn to the witnesses can I just draw to everybody's attention the fact that the written evidence we have received so far is now available from the Stationery Office at some large price which I cannot quite find at the moment—£20.50—which does not seem to me to be very good value for money. It is available, but much cheaper of course, on the House of Commons web site. So if you want to find out what other people have said there is your opportunity to go and look at it. May I express the Committee's gratefulness to all those people who have put in evidence. May I ask the two of you to introduce yourselves for the record please.

**Professor Fitzpatrick:** I am Suzanne Fitzpatrick, Director of the Centre for Housing Policy at the University of York.

**Mr Pleace:** Nicholas Pleace, Senior Research Fellow at the CHP at the University of York.

**Q2 Chairman:** Looking at the faces of people at the back no-one could hear that so could you speak up. I am afraid the acoustics in this room are not very good. The devices in front of you do not help the people in the room. I think they may help the broadcast but they do not help them, so if you could speak up that would be helpful. Do you want to say anything by way of introduction or are you happy to go straight into questions?

**Professor Fitzpatrick:** We are happy to go straight to questions.

**Chairman:** Right. Bill O'Brien?

**Q3 Mr O'Brien:** Could I put it to you that the underlying causes of homelessness is an issue that gives rise to concern in many areas and you point out that the headline figure for homelessness—local authority acceptances—is at a record high and the trend has been upward for a long time. Aside from housing supply, what are the main factors underlying this rising demand in terms of demographics, changing social patterns and so on?

**Professor Fitzpatrick:** The upward trend is actually fairly recent in that in the pattern in homelessness acceptances in England there was a very rapid rise in the late 1980s/early 1990s, then there was a drop in the 1990s and it slowly started to rise again since around 1997. I think in terms of long-term upward rises in homelessness they have been going on since the early 1980s through a combination of factors. The increase of poverty and unemployment, particularly in the late 1980s, was very closely linked with the rises in homelessness and the evolving restructuring of family relationships. We know that relationship breakdown, both for women and particularly for young people, is very closely associated with homelessness. In terms of the very recent rise since about 1997 onwards, it looks like housing market factors are most important in terms of the trend upwards, although not necessarily in terms of the overall causes of homelessness because the rate of homelessness was already running quite high.

**Q4 Mr O'Brien:** When you refer to increase in poverty what evidence do you have on that? What kind of poverty are you referring to, economic poverty or other factors?

**Professor Fitzpatrick:** To give you perhaps the clearest example, there was a very, very strong relationship between the rapid rise in youth homelessness in the late 1980s and the changes in the Social Security Act 1986 which made it more difficult for young people to gain access to Income Support and for 16 and 17-year-olds it caused severe hardship. That is a clear example where a particular economic change, a social security change has a demonstrable impact on homelessness, and from research I have done myself with young people that was very clear.

**Q5 Mr O'Brien:** What about people in employment, do we see poverty in that sector?

**Professor Fitzpatrick:** From the evidence we do have of homeless households, which is not complete and that is something we might go on to talk about the need for greater evidence, it suggests quite strongly that the great majority of homeless

households in recent years have been unemployed and that is across single homeless households and families. There will be some families in particular where there is someone in employment but on most occasions the research evidence, such as it is tells, us that they are unemployed. That was not the case, as far as we know, in the 1960s and 1970s; it has been case, as I say, in the 1980s.

**Q6 Mr O'Brien:** In your evidence you say "to what extent is homelessness attributable to housing market failures or to more complex social exclusion dynamics?" You ask that question; have you got the answer to that?

**Mr Pleace:** We think it is a combination of factors really. I suppose our central thesis from the research that we have done over the years is that people who are characterised by what is called "social exclusion" or "socio-economic marginalisation" (in terms of exclusion from education when young and not being likely to be in employment and tending to be quite socially and politically marginalised) tend to be the population who are over-represented in the homeless population. Our research evidence I think shows that that section of society which is socio-economically marginalised tends to be the section of society that is affected by wider structural forces such as housing market change or labour market change.

**Q7 Chairman:** The number of 16 and 17-year-olds is actually going down, is it not, in the population?

**Professor Fitzpatrick:** I think that is right, I am not certain.

**Q8 Chairman:** So if you are saying it is an increasing problem that things are actually getting much worse, are they not, for 16 and 17-year-olds?

**Professor Fitzpatrick:** I think we do have to refer to the changes that there have been in the legislation which provide priority need status for 16 and 17-year-olds who did not have it previously. The fact that those numbers are going up does not necessarily mean that the number of young people in that age group who are becoming homeless has risen. It may have done but in all likelihood the numbers who are homeless in that age group are becoming more visible in the statistics because they now have priority need status which they did not have before. So I do not think we would take issue on that point.

**Q9 Mr Sanders:** In terms of the trends in homelessness we know that acceptances peaked in 1991 and then showed some decline in the early 1990s before they started to rise again. What actually happened in the early 1990s that led to an improvement?

**Professor Fitzpatrick:** The numbers peaked in 1991 at an exceptionally high level so what you had there was the impact of what had happened in the late 1980s where, for example, as I said before, the numbers of young homeless people really catapulted from the mid-1980s position. I think what you had after 1991 was something of a

plateau-ing effect and then a gentle drop but it was quite a shallow drop and it started to lift again. I think one of the things that happened in the mid-1990s, of course, was the Homeless Act 1996 which restricted homeless persons' entitlements under the homeless legislation. While we cannot be certain, it seems likely that that had some disincentive effect on people coming forward to gain access to housing under the Act because their entitlements were restricted, so I think some of the shallowing out in the mid-1980s was probably attributable to the legislation. Other than that it was a plateau-ing off of what was an extreme increase in late 1980s.

**Q10 Mr Sanders:** So would the reverse be true of the current upward trend as a consequence of the more recent Housing Act?

**Professor Fitzpatrick:** I am sorry, could you say that again?

**Q11 Mr Sanders:** Is the reverse true with the more recent Housing Act that has widened priority groups? Is that now behind the trend in the other direction?

**Professor Fitzpatrick:** I had a look at the statistics on this and because the statistics break the priority need groups down into their constituent parts it looks like there is an upward trend not just in relation to the new groups but also the existing priority groups, in other words, homeless families and older vulnerable people, and so on. So while one-third of the increase looks as if it is attributable to new groups, about two-thirds of it is attributable to the existing groups. It looks as if there is an underlying upward trend. Some of it can be attributed to the new priority need groups but not all of it.

**Q12 Mr Sanders:** Is that trend continuing or do you think it is now complete?

**Professor Fitzpatrick:** It is difficult to say. In the last two or three quarters it looks like it has flattened out but it is difficult to say, I think, without looking at this in the slightly longer run as to whether it is going to plateau out and start to dip or it is just plateau-ing rather than dipping or rising in the last two or three quarters. It has been rising pretty steadily until about a year or so ago and it is still just flattening out.

**Mr Pleace:** It is important to bear in mind that acceptances measure one thing, which is approaches to local authorities, and something else is happening as well which is an increase in the use and level of temporary accommodation where there is a steeper upward curve. We have got that pattern as well. The only thing I would add is that in terms of the pattern of acceptances our feeling is that there are quite important regional variations in terms of how that is patterning out in terms of what you see in London compared to cities in the Midlands and the North.

**Q13 Mr Sanders:** You often hear that there is regional variation but in the housing market there are more commonalities in similar economic and

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social entities between regions, for example, rural areas, for example big cities (although there is not necessarily a big city in every region) and for example coastal resorts, and they all exhibit similar characteristics across regions, so when you look at the regional statistics there is this rather greater commonality. I do not know whether you agree that we might be missing something by looking at things in regions?

**Mr Pleace:** If you are talking about the North East and South West it is probably too aggregated to see the kind of effects that you are talking about but some recent work we have done for ODPM in a feasibility study on family homes suggests a correlation between the degree of housing stress and the extent of temporary accommodation. You can draw two graphs and if you look at those localities which are characterised by housing stress—this is at the level of individual authorities—then they tend to be areas that have greater use of temporary accommodation. Regional effects is probably not the way to talk about it. It is specific area effects and linked to things like housing markets, labour markets and other local factors which we think alter the pattern of homelessness in terms of small-scale homelessness.

**Q14 Sir Paul Beresford:** There is a tendency in this country for university under-graduates to leave home and rent accommodation. They presumably absorb a considerable proportion of university town private accommodation that is available. Is this a factor here perhaps compared to Europe?

**Professor Fitzpatrick:** Not as far as I am aware. I do not know of any work which suggests that homelessness is higher in university towns than it is elsewhere. I would not suggest that was the case.

**Q15 Sir Paul Beresford:** Commonsense would tell you if you have got tens of thousands of students using accommodation, even five to a house, there would be a housing shortage.

**Professor Fitzpatrick:** We need to look at the complexity of causes of homelessness. I do not think it is as straightforward as one particular housing demand group driving homelessness. In so far as housing market factors underline levels of homelessness, it is about the balance between supply and demand, so there are circumstances where supply might respond to that particular demand and in other cases where it might not. I do not think it is necessarily down to any one demand group. Our other central thesis, which I think does have an important regional variation, and which is based on qualitative research that we have done (we are hoping that ODPM will commission a quantitative survey soon which will give us some rigorous statistical information on this) is that the balance of causes of homelessness is likely to differ depending on structural factors. In some cases we believe, based on the work that we have done, housing stress and housing demand pressures of various kinds are particularly important in driving homelessness. London is a key example of that but

there are others. However, in other places where there is excess housing and low demand for housing you still have high rates of homelessness. I think an interesting question is why do we still have high levels of homelessness in those areas? In those places there are drivers which include the social dislocations associated with poverty and unemployment and they tend to be driving homelessness. The important thing about that is that it then changes the complexity of the homeless population that you are dealing with and changes what the appropriate interventions should be. That is why we think looking at homelessness within a local context and what the particular drivers are in those cases is so important and in some instances, perhaps, demand from particular groups like students will be particularly important but I cannot say it is a factor that I have particularly come across in the work that I have done.

**Q16 Chairman:** You are saying that the problems of homelessness are very different in different parts of the country?

**Professor Fitzpatrick:** Yes, that would be our hypothesis.

**Mr Pleace:** Very quickly just to restate that and to summarise it, in some areas, for example areas of high housing stress, we would expect a bigger proportion of the homeless population to become homeless simply for economic factors. So for example where housing costs are very high and a household loses one of its wage earners, for whatever reason, it might not then be able to afford to pay the rent and thus become homeless. In areas where there is not the same degree of housing stress it might be that the homeless population is characterised by higher levels of need because in some senses it is harder to become homeless in areas where housing costs are low and where social housing is relatively plentiful. Where households become homeless in that context it might mean that there are factors like support needs and like the kinds of social dislocation that Professor Fitzpatrick is talking about that become more important in those areas.

**Q17 Chairman:** Can I take you on to temporary accommodation. In fact the numbers in temporary accommodation have doubled, have they not, in the last six years? Is that going to double again in the next six years?

**Professor Fitzpatrick:** I think we would want to be cautious about predictions but one of the things that we have come across in looking at statistics and looking at the associations between levels of homelessness and various indicators of homelessness is a very strong correlation between the numbers of people in temporary accommodation and various indicators of housing stress, particularly affordability problems, so in other words those areas of the country in which housing is in greatest demand and is most difficult to access there is a much stronger relationship with the numbers of people in temporary accommodation than there is with some of the

numbers necessarily coming forward and being accepted as homeless. It looks like the main association between housing stress and homelessness is the difficulty that there is in moving people on from temporary accommodation. Some research that Nicholas has done recently has shown a very close correlation between Professor Steve Wilcox's (with whom we work) indicators of housing affordability and the rates of use of temporary accommodation in various parts of the country. I think that is one indicator which is going to be very strongly associated with housing stress

**Q18 Chairman:** So you are suggesting that temporary accommodation is really a measure of housing stress. What is wrong with temporary accommodation in itself?

**Mr Pleace:** It depends what kind of temporary accommodation you are talking about. For the most part local authorities use ordinary housing under various arrangements. There are particular problems around some forms of temporary accommodation used in some local authorities. You will all be aware of families being placed in bed and breakfast and recent government actions around that. There are other forms of temporary accommodation which may be inappropriate in terms of location, size, design and the range of amenities that they offer. Thus some hostel accommodation which might be used for some households might be inappropriate. Some areas that are characterised by high housing stress are not necessarily cities, they are rural localities that have relatively few people in temporary accommodation but there are difficulties in moving those households on. You might find that a rural local authority has a homeless hostel which accommodates both single homeless people and is also sometimes used for families, and that accommodation might be inappropriate for a range of reasons because, for example, there might be an undesirable mix of people in terms of the range of needs that they have got if there are children present in that accommodation.

**Q19 Chairman:** How much temporary accommodation is poor quality or unsuitable?

**Mr Pleace:** It is difficult to say in some respects. There has not been systematic research on that since some work was done by Pat Niner in 1989 which did suggest a range of problems within temporary accommodation. For the most part the temporary accommodation used by local authorities is housing. The degree to which that housing is of an acceptable standard is going to be affected by a range of things. There are issues around size. Quite often groups such as homeless families become homeless with very few resources, so a woman escaping domestic violence with her children might take flight very suddenly which means she has no financial services, she has no furniture, and she has no white goods. Providing her with an unfurnished temporary house might not be a very satisfactory solution but a local authority may be in a position where it is only able

to do that and only in time able to equip that house. So it is a function of size, suitability of location, is there somewhere safe for the children to play, is there somewhere safe to let the children out? Is it a safe environment if it is a vulnerable person who has been accepted because they have mental health problems? Is the locality going to affect their well-being? There are all kinds of environmental factors, things around space, things around amenities within the accommodation.

**Q20 Chairman:** Some temporary accommodation is both totally unsuitable and expensive so in financial terms it would make better sense for local authorities to try to find permanent accommodation rather than temporary accommodation?

**Professor Fitzpatrick:** I think it is fair to say that there have been significant achievements in respect of reducing the use of bed and breakfast. Obviously the priority has been for families but there has also been a very recent reduction in its use for all households, and that is very welcome.

**Q21 Chairman:** Perhaps the bed and breakfast has just declined and other temporary accommodation has increased to balance it out?

**Professor Fitzpatrick:** The other temporary accommodation that tends to have increased is use of private sector leasing and use of local authorities' own accommodation. As Nicholas said, we do not have complete information on a large scale and systematic basis about how satisfactory that is but the qualitative information we have suggests that that type of ordinary housing used as temporary accommodation is much cheaper and it seems to be far more satisfactory. You asked why it is such a problem in the South. Part of the problem in the South is because bed and breakfast does tend to be used more so than it is elsewhere in the country. Overwhelmingly in the northern cities, for example, local authorities use their own stock or RSL stock to accommodate families. From what we know, which is qualitative, that is much better than bed and breakfast. There are other forms of temporary accommodation which are used and the figures on this are fairly steady, things like women refuges and hostels and so on. It is patchy but some of that accommodation is excellent and gives people the breathing space and support that they need to move on. We must not think of temporary accommodation as always being a bad thing. In some instances where it is suitable and provides the support that people need and it is not for too long a period it can be very valuable, including for some young people. What we want to get away from is very protracted periods in poor quality and inappropriate bed and breakfast and other forms of mixed hostels for families and single people because what we know is that is often felt to be very unsafe for children for example. One of the key points that has emerged recently, certainly in Scotland and in England, is that permanent accommodation can sometimes be at least as much of a problem as temporary accommodation. In other words, families and other

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people in temporary accommodation can be reluctant to move out because the permanent accommodation they are being offered, thinking particularly of the North rather than London and the South East, in the larger urban areas, is so poor and in areas in which they feel so unsafe. The permanent can be worse than the temporary. I think that is an important point to get across but, again, it is a very regionally and locally differentiated point.

**Q22 Mr Betts:** To come back to regional differences, first of all in London, is London just an extreme case that simply reflects what the rest of the country goes through only to a greater degree or is it very different indeed in terms of homelessness?

**Professor Fitzpatrick:** It is very different indeed. I think London is a unique case within Britain. We have some areas where there are parallels with New York for example but within Britain London is very different. There are all manner of reasons why London is different. To pick out two of the key issues, London is unusual in having a co-existence of a very high housing stress level and very high levels of poverty. Most parts of the country tend to have one or the other. Existing research evidence suggests that both are strong causes of homelessness. In London you have both co-existing and I think that makes not just the absolute numbers but, as you will see from the statistics, the proportionate numbers, the rate at which people living in London become homeless much higher than anywhere else in the country. The rates of long-term stay in temporary accommodation are also exceptionally high. The recent work done by the Audit Commission suggests that people spend 22 weeks on average in bed and breakfast in London as compared to seven weeks elsewhere in the country. You are talking about extreme difficulties moving people on from temporary accommodation.

**Mr Pleace:** To add one statistic there, one of the things we looked at in recent work was the average number of families in temporary accommodation for each family that was accepted during the course of 2002. If you look at the North East, the North West and the Midlands there is roughly on average one family in temporary accommodation for each new family that is accepted. In London there are eight families in temporary accommodation for each new family that is accepted.

**Q23 Sir Paul Beresford:** Do you think this is adequately reflected in the government grant to local authorities in London?

**Professor Fitzpatrick:** I am afraid we have not looked at that in detail so we could not comment on that.

**Q24 Mr Betts:** In terms of the North you indicated that you think economic factors predominate in why people become homeless but the economy has been getting a lot better in the last few years. Why has that situation occurred? There are more empty

homes in many of the northern areas and we have also got a lot more jobs so why has homelessness gone up? I cannot put the two together.

**Professor Fitzpatrick:** The important thing in terms of looking at homelessness in the North in particular, and as I said earlier it is complex, (and it more obvious why there is homelessness in areas of high housing stress; I think it is more challenging to look at why they become homeless elsewhere) is that to describe the causes as economic does not capture the complexity of what we are talking about. I think it is something that is probably better expressed as “social exclusion”. It is the extent to which people are falling behind the rest of society rather than the straightforward issue of not being able to buy housing or not being able to afford housing in those areas. I think it is the fact of low status, low self-esteem, the social problems that are attendant upon living in very deprived areas, and the restrictions of life chances that are associated with that. While the economy has improved across the country and levels of employment have increased and so on—and that is very welcome—we all know there are areas that have been left behind and while we do not have good geographically discrete information on this yet I am hoping that the ODPM-commissioned study will allow us to test the hypothesis that levels of homelessness are very heavily concentrated in what the Government used to call the worst deprived estates. I think that is where concentrated levels of homelessness are. It is to do with social exclusion of people living in those areas. I do not think that has been fully reached by the rising prosperity, for instance, of society. In fact, it could be made worse because of the relativity factors.

**Mr Pleace:** The existing qualitative research does suggest an association between sustained experience of compound disadvantage and experience of homelessness. We cannot go to the point now because we do not have the evidence to suggest that there might be things like inter-generational homelessness happening. We do not have strong enough evidence to think about that but certainly if you look, for example, at Suzanne’s work on young homeless people and some of the other work that has been done on young homeless people they come disproportionately from very marginalised backgrounds and are likely not to be in employment, education or training when they reach their teenage years. We are talking about a subset of a population which because they are in a state and to such a degree of compound disadvantage then wider economic prosperity is harder for them to access. It does not trickle down to them in the same way it does to other sectors of the population.

**Q25 Chris Mole:** You welcome the Government’s intention to have a step change in housing supply in the South East, especially in the growth areas, but how do you think it is going to help in the districts with the highest demand, most of which is not in the growth areas?

**Professor Fitzpatrick:** There are two things going on. One is that high housing stress overall squeezes those at the bottom of the housing market and they find it increasingly difficult to access accommodation. Therefore, if you were to manage to ease housing pressures across the South that would feed through, we believe, to improving the ability to move people on from temporary accommodation. That said, whether any particular housing developments will in a very direct sense enable the housing of the homeless does depend to a large extent on where it is and whether it is where the housing demand comes from. What we know from a lot of research that ourselves and other people have done is that most homeless people are very local and most homeless people present as homeless where they live and that is where they want to continue to be. We are not entirely sure whether that is true in London because London, again, is very different from everywhere else. For example, it has high levels of inward migration. It is difficult to envisage that the increasing step change in housing supply will not help but the extent to which it will reach those in greatest need is something that we need to monitor over time.

**Q26 Chris Mole:** There is no specific evidence that a higher rate of general house-building would make a difference to homelessness?

**Professor Fitzpatrick:** It is not a question that is amenable to very straightforward answers. It is something where you have to wait and see and where you probably have to do some quite sophisticated modelling which we have not done as yet. It is the sort of question that is probably best responded to by commentators like Steve Wilcox who looks at the macro level housing market and affordability questions. What we are looking at instead is the effects of that and the micro-level impacts of it.

**Mr Pleace:** I suppose I would qualify that slightly. If our hypothesis is right, which is that some homelessness is economic and not being able to afford housing and the other kind of homelessness is more linked to support need, experience of disadvantage and things like that, you might find a situation where different sectors—and I am speaking hypothetically—of the homeless population might benefit at different levels from house building. Where there is a straightforward economic causation of homelessness people are homeless because they cannot afford current market rents or mortgages or something like that, you would expect that the simple provision of affordable housing would make a difference to that group. Where people are homeless because they have got health needs, support needs and other issues which might undermine their capacity to sustain a tenancy on their own for example, straightforward provision of housing might not assist that group. It would indirectly because obviously one of their problems is that they have not got somewhere affordable to live but it might not be in itself enough to guarantee a sustained exit from homelessness.

**Q27 Chris Mole:** Can I ask you to speculate on whether the benefits of more general house-building filter down the system or whether it would be the right approach to make more direct social housing provision to really help the poorest people?

**Professor Fitzpatrick:** I think this question is related to a broader argument that is based on the evidence that we have that the balance in those two groups that Nicholas was describing is different in different parts of the country. We do not have (and no-one has) direct quantitative evidence of what the balance of homeless people's support needs are in different parts of the country. Once the ODPM have conducted the survey that we have mentioned then we should have better evidence on that. Our hypothesis in the meantime is that that housing need only group is going to be proportionately, as well as absolutely, larger in the South because housing market affordability factors are more central to the levels of homelessness. Based on that we would argue logically that it seems very likely that easing housing market shortages in the South will help a lot of homeless people in the South. That said, there is a continuing issue about whether the increase in housing supply is in the right place. If homelessness is a very local issue that might blunt the impact of increasing the overall supply if it is not in the right places in the South. I think that is something that we would need to examine in the light of evidence as the housing comes on stream to see what people's behaviour is.

**Q28 Chris Mole:** You talked in your written submission about residential segregation into ever more homogenous communities, and people with choice putting as much distance as possible between themselves and poorer people. Does this mean that policies in favour of more mixed sustainable communities have failed?

**Professor Fitzpatrick:** I think it is very, very difficult because the process of residential segregation has been happening for decades, so what you are doing is trying to swim against the tide with policies that promote mixed communities. Because I think new house-building accounts for less than 1% of all new housing stock in any particular year, if you are promoting mixed communities through section 106 and through pepper-potting the social rented sector with other forms of housing, I think that is a very positive policy, but it is going to be a long-term process to change nature of the housing stock I think wherever possible policy should do all that it can to create mixed communities but I do not think that anybody should think it is going to be an easy and a quick fix because it is a long-term process we are trying to reverse.

**Q29 Chairman:** You have almost suggested that mixed communities are being segregated by people's choice. Is that right?

**Professor Fitzpatrick:** I think that is right. There is a dilemma for policy in that we have an increasingly marketised housing sector and we have had for a long time with owner-occupation increasing. We also have policies whereby we wish

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to allow greater choice for people in the social rented sector with quasi market principles being introduced there as well. I can see good reasons for that. Everyone wants choice nowadays and why should poor people not have it as well. I think at the same time we have to be very clear and very honest about what the costs of those choices are. Because the choices that people make tend to be to live among people like themselves, and if they are the sort of people who have choice and are more advantaged, then there are costs of that and the costs are social justice ones borne by those people who do not have as much choice. I think it is a dilemma but from a social justice point of view it is very important, wherever possible, to promote mixed communities. The more we introduce choice and the more we emphasise choice within the housing market the more the natural tendency will be towards segregation and there is very, very strong statistical evidence on that now. The 2001 Census, recently analysed by Danny Dollan (?), has shown that the tendency towards residential segregation has increased over the last 10 years. Just in the same way it did in the 1980s it has done over the 1990s. It is a real dilemma and a very difficult one for social policy.

**Q30 Mr Betts:** Do you think we should change the legislation and go more towards the Scottish system of giving permanent accommodation to everyone who becomes homeless?

**Professor Fitzpatrick:** If what we are interested in doing is providing a secure safety net for all homeless people then that would be the sensible way to go. Local authorities are the only bodies in the position to take on that responsibility of ensuring that every homeless person has access to housing. That said, the Scottish approach is fairly radical not just within Britain but in the western world in terms of providing a comprehensive safety net to all homeless groups rather than just certain priority groups. I would not want to under-estimate the difficulty in moving the English legislation in that direction because local authorities in many parts of the country would, quite rightly, argue that they do not have the housing stock and they do not have the access to RSL stock that would enable them to fulfil those obligations. One is one element of the Scottish approach which is very helpful is that it is a phased expansion of priority need allied with periodic assessments of local authorities' ability to cope. For that reason I think it would be interesting for England to keep a close eye on how Scottish local authorities are coping because while Scottish local authorities, if you take Scotland as a whole, have a higher proportion of social rented stock than England (it is still running at about 30%) these obligations are also being imposed on local authorities in Scotland which have very low levels of social rented stock. Rural areas of Scotland have no more social housing stock than a lot of areas in England. So I think a careful localised look of what is happening in Scotland would be very useful. If we want—and personally of course I would like to see this—a secure safety net for all homeless people

then I think it would be the direction to move in, with a careful eye on local authorities' capacity to cope. Another important point in the Scottish system which I do not think I have mentioned in the paper is that with stock transfer—and people are probably aware of the Glasgow stock transfer which was very major but there have been other stock transfers in Scotland as well—part of the Housing (Scotland) Act 2001 imposed a duty on RSLs to accommodate homeless households referred to them by local authorities. It would be very difficult to impose a duty in England on local authorities to accommodate homeless households without a similar provision tying in RSLs.

**Q31 Mr Betts:** I also had the point made to me from people in my constituency who have got sons and daughters on the waiting list for a house, that if you are more generous in what you offer to homeless households you increase people's likelihood of becoming homeless in some cases because rather than wait 10 or 15 years on the waiting list the only way to get priority for a home in a nice area (if authorities are prepared to allocate homeless families a cross-section of their housing stock) is to become homeless and indeed if you become homeless then to wait and see if you get a nice property before deciding whether you are going to take it up. Is there any evidence of that?

**Professor Fitzpatrick:** It is a complex one. I have looked at this point in detail recently for another piece of work for ODPP. Homelessness agencies and academics would argue that there is no evidence of that but it has to be said that nobody has looked very hard for the evidence of that in the homelessness world. I think that it would be difficult to argue that there is not some kind of incentive effect within the homeless legislation but, that said, I think it is very important to keep it in context, to keep it in perspective. The very extensive qualitative evidence we have about homeless families and others who go through the homelessness process is that they try very hard to find other solutions before they present themselves to local authorities, by and large. The other piece of key evidence that we have is that the homeless persons legislation—I have done quite extensive work on this—does act as a very good proxy for those in the greatest housing need. We do not have solid evidence of deliberately making yourself homeless in order to gain access to council housing but that is not the same as arguing it never happens. The evidence that we do have suggests that it is not the key factor which drives homelessness and it is also what the intentionality provisions are intended to capture. It is the reason why in Scotland priority need is going to gradually be abolished and the connection is going to be suspended but intentionality has been kept to address that particular issue.

**Q32 Mr Betts:** Is there any research into monitoring what happens in different authorities with different policies and approaches?

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**Professor Fitzpatrick:** In term of intentionality particularly?

**Q33 Mr Betts:** In terms of what stock they are prepared to offer homeless families, whether it is the readily available poorest stock or whether they offer a range of different provision.

**Professor Fitzpatrick:** We know that there are one-offer only policies in many parts of both England and Scotland. Other local authorities with more extensive/low-demand housing stock tend to be more generous in that respect, so we know there is quite a variety.

**Chairman:** Sorry to interrupt but we are running a bit late. We have got two more topics we want to cover so could we have very short answers please. Chris Mole?

**Q34 Chris Mole:** What is your view of the success of the Supporting People programme in helping homeless people?

**Mr Pleace:** The very short answer is it is too early to say. The existing evidence base on Supporting People is not as strong as it could be. There has not been a great deal of research done on floating support services like tenancy sustainment. There is not a great deal of research being done on supportive housing solutions which move people on in terms of looking at the long-term impact in terms of sustained exits from homelessness. All the research that CHP has done, and the research done by other people which has looked at various forms of supported housing or floating support to homeless households, does show that it has a general beneficial effect in terms of helping people who would otherwise be unable to sustain a tenancy or whose tenancy would be at risk following homelessness because there might be issues around their short-term coping skills. A particular issue for homeless people and homeless families as well is wider engagement with the welfare state. You are talking about sometimes quite marginalised populations who might find it difficult to articulate themselves and who may not know where to go. Housing-related support funded by Supporting People seems to have a very significant role in relation to registration with a GP, ensuring that the range of benefits to which a household is entitled is being claimed and ensuring that they have got access to the other kinds of service that they need. That kind of low-level support to assist and engage with a range of services is very important and also it can be very significant in terms of where a household is quite marginalised, quite inarticulate, quite alienated (as some homeless households are) in that they can help that household engage with the social landlord.

**Q35 Chris Mole:** What would be examples of successful innovation in this area which you could share?

**Mr Pleace:** The main one we have worked on is the Shelter Homeless to Home project which was a

pilot project which we evaluated which provided a low-intensity floating support service to homeless families who were characterised by vulnerability. These were quite often families who had experienced recurrent homelessness, and had been homeless two or three times before. That low-intensity support level service, which was characterised by being highly flexible in terms of the range of support that it could offer, helped with everything from helping households decorate their property through to low-level emotional support, helping households access benefits, helping households access other services that they needed. It showed that that kind of service could be effective. Actually it was one of the first pieces of research that showed the extent to which homeless families might be characterised by some of the support needs that we also associate with homelessness.

**Q36 Chris Mole:** What would you say about the quality of services for people living in institutional settings who become homeless? What contribution is there from those services to reduce the “revolving door” for repeat homelessness?

**Mr Pleace:** We have done a lot of work around looked after children and there has been a lot of innovation and support because we know about the strong over-representation of looked after children. That is not Supporting People because they are too young to be funded under that programme. However there is work on youth homelessness and work on former offenders and things like that, and we have got a big assumption within public policy at the moment which is that anybody who has come from an institutional setting is going to have fewer coping skills because they have been in that institutional setting. We have got some evidence around youth homeless services that have been effective interventions. There is not a great deal of research around services to former offenders. There is some evidence suggesting that perhaps there is an association between being in the armed forces and homelessness for which, again, there is no strong evidence. But beyond youth homelessness we have not really got much evidence around institutional services.

**Q37 Mr O'Brien:** Finally, can we ask about data collection and the understanding of data. Some people suggest that it only benefits academics like yourselves but other people are calling for improvements in data collection. What do you think are the main deficiencies at the present time?

**Mr Pleace:** The main deficiency in P1E is that P1E measures decisions by local authorities but it does not really record the characteristics of the households that are becoming homeless. We do not know very much at all about the composition of those households because it is not really recorded in any detail, unlike the Scottish system, HL1, which does collect basic information on a

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household-by-household basis. The data we have got is the monitoring of two things. It is the monitoring of the decisions that local authorities take and it is an account conducted on a quarterly

basis of how many households are in temporary accommodation.

**Chairman:** Right, on that note can I thank you very much for your evidence.

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*Witnesses:* **Mr Adam Sampson**, Director, and **Mr Patrick South**, Deputy Director, Communication and Campaigns, Shelter, examined.

**Q38 Chairman:** May I welcome you to the second session this morning of the Committee's inquiry into homelessness and ask you to identify yourselves for the record.

**Mr Sampson:** My name is Adam Sampson and I am the Director of Shelter.

**Mr South:** I am Patrick South, Deputy Director of Communication and Campaigns at Shelter.

**Q39 Chairman:** Do you want to say anything by way of introduction or are you happy for us to go straight into questions?

**Mr Sampson:** Just very briefly, first of all we are grateful for the opportunity to give verbal evidence to supplement our written evidence. Our general approach to this is informed by a recognition of some of the very welcome improvements and advances that have taken place in homelessness and homelessness policy over the past few years—the driving down of the number of people sleeping on the streets, the very welcome ending of the use of bed and breakfast accommodation for homeless families with children. Those things are achievements of which government should be proud. Set against that, however, there are long-term structural issues which do cause us considerable concern. We have the rise that has already been alluded to in the use of temporary accommodation and for increasing periods of time and more pertinently we also have structural difficulties in the housing market nationally which will in our judgment, if not tackled to a greater extent than at the moment there seem to be plans to do, only exacerbate long-term issues to do with homelessness. Those are our major concerns.

**Chairman:** Thank you very much. Clive Betts?

**Q40 Mr Betts:** You say in your evidence that there are lots of different measures of homelessness none of which provide a complete picture, particularly the official measure of people who are unintentionally homeless and in priority need. What is the complete picture, how serious is it, and does the Government understand the seriousness?

**Mr Sampson:** Frankly, if we knew the complete picture we would have said it. There is no central numerical account of the full picture of homelessness. Our criticism of the over-reliance on the official figure about people accepted as homeless is that it merely reflects local authorities' judgments of one particular manifestation of homelessness. Those judgments themselves may be influenced to a significant degree by the fact that in

accepting somebody as unintentionally homeless and in priority need, local authorities are imposing on themselves a duty to do something about it, so, plainly, one may question the extent to which those judgments are unbiased. There are no reliable figures on the number of people who do not fall into those categories, the number of single homeless people for example, the hidden homeless, and so on and so forth. There is considerable debate within 200,000 or 300,000 as to what those numbers really are.

**Q41 Mr Betts:** So if government came to you and said, "Right, we are going to change the way we collect homelessness statistics, we are looking for your recommendation," what would it be?

**Mr Sampson:** It would be difficult for me to give a comprehensive answer at this point. Plainly, you would need to look at a very comprehensive and very complex set of measures. There are definitional issues which are important here. Homelessness is not a single manifestation; it may be rooflessness, it may be some other manifestation of housing need. One would need to engage in quite a complex process of determining what exactly constituted homelessness in the first place because homelessness and rooflessness are plainly not the same thing

**Mr South:** Can I follow that up? As part of your question you asked whether the Government has a full picture and understanding of homelessness. I think the bit of government that deals with homelessness, the Homelessness Directorate, has made a lot of progress in terms of bed and breakfast, rough sleeping, et cetera, as Adam said. The report that the Social Exclusion Unit published recently recognised that the numbers in temporary accommodation is one of the five key things holding back government progress on that agenda. The Child Poverty Review also recognised homelessness as part of the child poverty agenda. So I think there are signs in government more widely that the homelessness issue is being recognised. I think the jury is still out in terms of the government taking that on as a big issue, and if we are to get to grips with the numbers in temporary accommodation, the Homelessness Directorate cannot do that on their own. They need wider support from within ODPM and political leadership from the top. There are signs that homelessness is being recognised but the jury is still out as to whether at the very top of government it is enough of a priority.

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**Q42 Mr Betts:** I can see how you can get a measure of those people who present themselves as homeless or who are deemed to be potentially homeless because they are there and they are recorded. When you come down to young people who are not in a priority category or who do not present themselves because they are never going to get housing, there is no way of measuring that, is there?

**Mr Sampson:** There is not. It is a genuine problem and, frankly, neither Shelter nor anybody else has the answer. What I am anxious not to do here, though, is to get hung up on questions about whether the number of people in the category to which you just referred is genuinely 200,000 or 400,000, and it could be anywhere in that range. The truth remains that even if we knew how many there were, there is nothing around in terms of government policy in the short-term which is likely to meet their needs. Counting the need may be a useful academic exercise but counting the need completely disassociates it from any likelihood of meeting those needs. It seems to us to be a rather sterile exercise.

**Q43 Mr Sanders:** Your evidence shows that much of the increase in homelessness acceptances between 1996–97 and 2003–04 is homelessness caused by parents and friends “no longer able to accommodate”. Why do you think these causes are of such growing importance?

**Mr Sampson:** That reflects again the analysis which is done at the point at which those individuals are accepted as homeless. I think that category masks a considerable complexity and richness about what is actually going on underneath it. Some of that may be genuine relationship breakdown with no other contingent causes. Some of that, however, may mask unacceptable levels of housing need. Giving you an example, there seems to be a considerable correlation between homelessness and overcrowding in some areas of the country, so you will have situations, say, in some parts of East London whereby you have three generations crammed into relatively small local authority accommodation, and under those circumstances, it does not take very much in terms of family stress to create a situation where homelessness is caused. That may not be a manifestation of a dysfunctional family situation; it may be a manifestation of housing need which is then expressed through a claim “they will not let us stay in the house anymore” when the individual gets to the local authority homelessness unit, and therefore the response to that may need to vary quite widely. This brings us to some concerns about the preventative agenda (which we thoroughly support in principle) on the part of local authorities which, for example, forces mediation on a family in that situation. Where there is a genuine family breakdown and that could be repaired through mediation that seems to me to be a perfectly reasonable approach to take.

**Q44 Chairman:** Even if the household is grossly overcrowded?

**Mr Sampson:** No that is exactly the point I was going to make. Where there is no gross overcrowding and it may be that there genuinely is a family breakdown then plainly mediation may well be the solution. Where in fact the real cause is overcrowding then to force people into mediation seems to us to be fundamentally misplaced.

**Q45 Mr Sanders:** Do you think there is sometimes collusion between parents and their offspring or between friends to get registered as homeless and so jump the housing list?

**Mr Sampson:** I think the answer that you were given in the evidence previously seems to us to reflect the reality of the situation. Of course in theory that may happen and I think everybody has to acknowledge the possibility of that happening. Where in practice you have a situation where having your name on the council housing list is not likely ever to produce a tenancy, one can see there may be some incentive to “go the homeless route”. On the other hand, we do not have any real evidence, as was referred to earlier, of that happening in any major way. Indeed, given the difficulties in getting accepted as homeless and given the fact that in areas of high housing demand you may well then have to endure unacceptably poor temporary accommodation for a considerable period of time and then get a letting which is hardly the most desirable in the world; the incentives are not as great as might otherwise be assumed.

**Q46 Chris Mole:** You have said the number of intentionally homeless decisions has more than doubled since 1997 and that some authorities may be interpreting intentionality very strictly to reduce the numbers they have to house. At the same time some neighbours think it is quite hard to get evictions by local authorities for anti-social behaviour. What is reasonable behaviour by local authorities in this circumstance and what influences local authority behaviour in this area?

**Mr South:** Possibly the best way to answer that question is to say that, in terms of the work Shelter’s services do, our advisers deal with an awful lot of intentionally homeless decisions and they are very often successful in overturning them. Anecdotally, some of our housing aid centres would say they overturn roughly 50% of those decisions. Obviously that is not something that can happen across the board. That is only going to happen where Shelter has a service or there is another service in place to challenge those decisions. However, I think that degree of decisions being challenged and overturned gives some kind of indication that intentional homeless decisions are being made when they should not be. The legislation was originally introduced, as was referred to in the previous evidence, to act as a disincentive to stop people falsely applying as homeless. We think now with that evidence, particularly in the last couple of years where intentional homeless decisions have gone up by another 50% (which coincides with the introduction of the new legislation), that this is something that

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needs to be looked at that, particularly when you have got intentionality decisions being made because of previous criminal convictions or rent arrears; because that is undermining the spirit of the legislation and is actually very much against the policy intentions of the Government.

**Q47 Chris Mole:** A housing authority is supposed to refer intentionally homeless families with children to social services. You have been critical of the response by some social services departments about what they should be doing. Given that it is clearly undesirable for children to be taken into care, what more should social services be doing for such families?

**Mr South:** Just to say first of all we are very grateful for the amendment you tabled in the committee on the Children Bill on that. It was a very interesting debate because you had all three political parties in a rare show of unity backing the case for housing to be part of that Bill and for much closer co-operation between housing and the new children's services that the Bill will be introducing. What we are arguing is that there are duties currently on social services in that situation, and they should be carrying out an assessment of the children's needs, and there are powers for them to provide assistance. We are not saying that that should be a back-door route into social housing. What we are saying is that where you have got homeless families with children in need, some kind of response should be happening in that situation. Very often at the moment it is not. It is an issue about practice. I should say that some authorities do have protocols in place and practice is good; other authorities do not. What should never happen is that, just because a family is homeless, they should be faced with having children taken into care in that situation. What it means very often is that those families are forced into very desperate housing situations and circumstances. According to our Shelterline service, a woman slept rough in a park with her children for three or four nights because she got no help at all from social services. What we are looking for, and what we would look for the government to be doing, is to send a much stronger message out to social services that they have a role in that situation that they need to fulfil.

**Q48 Mr Betts:** Everyone probably agrees we need to spend more money dealing with the homeless situation but how should we spend it?

**Mr Sampson:** There are two mechanisms for spending it. Plainly we could spend money supporting individuals with the sort of support needs that were talked about earlier, supporting them to maintain their existing tenancies if they have them or re-settling them back into settled accommodation if that is available. That in the short term is a priority. But in the long term, again taking the evidence that we heard previously, which accords absolutely with our understanding of the situation, homelessness is a manifestation and result of structural difficulties in the housing market and the long-term under-investment in the

provision of affordable housing, particularly social housing for rent. If there is one priority for government spending, while trying to maintain services for those who are in housing need at the moment, it is long-term investment in social housing for rent.

**Q49 Mr Betts:** Basically it is long-term investment in housing and then provision of support services for particular categories of homeless people with particular needs?

**Mr Sampson:** Absolutely, yes.

**Chris Mole:** You say that too much investment is going into key worker housing and not enough into traditional social housing for rent. What should be the balance of funding bearing in mind the danger that there might be more homeless people having houses but not having teachers for their children or police officers to deal with issues in their area?

**Q50 Chairman:** Or perhaps more important the social workers that you have just criticised for not getting stuck in.

**Mr Sampson:** I do not think what we have said is that we do not support spending money on key workers. What we questioned is—given a limited pot of money—the Government's priorities in how they have decided to spend that money. In the key worker debate it is very easy to talk about this merely in terms of doctors, nurses—I was going to say politically popular people, but then you introduced social workers into it, and I speak as a former social worker myself—but equally important if we are going to have decent hospitals and schools is to have the hospital cleaners and the school caretakers and the dinner ladies and so on and so forth without which none of our public services can function. The key worker debate cannot get caught up in the sterile question of provision of houses for middle class people and forget the poor people; it is a continuum. Our criticisms are two-fold. First of all, some of the way that some of the money has been spent on key workers, it seems to us, is misplaced. If you look at the cost-effectiveness of some of the schemes, for example simply to give particular categories of key workers grants to compete on the housing market for purchase, the long-term impact of that is merely to fuel house price inflation. It does nothing to increase the supply and availability of housing in the longer term. It increases house price inflation. In my work with the Home Ownership Task Force last year, quite a lot of that discussion included considerable criticism of the current ways of subsidising key workers, which are not very cost-effective. The second question is a question about whether we genuinely are right in prioritising housing aspiration over housing need. In the end, if we have limited government subsidy, it seems to us to be somewhat perverse to use that subsidy to improve the position of people who have housing but are aspiring to better types of housing over people who, by and large, have no access to housing at all.

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**Q51 Mr O'Brien:** There is some evidence of housing associations not co-operating with allocating accommodation to the homeless. What is your experience of that and what can we do about it?

**Mr South:** I think the key words you use are "some evidence". It is a complex picture and certainly Shelter was very concerned in the late 1990s when you had a situation where homelessness and numbers in temporary accommodation were rising, and at the same time housing associations were making fewer lettings available to homeless households. I think that situation has turned round to some extent and the figures bear that out, but it is very difficult, when you have got very different local circumstances in different parts of the country, to look at a national figure and take very much from that. What we are concerned about is not just a question of housing associations. It is very often the nomination agreements that are made between local authorities and housing associations that are not adequate. Also, housing associations often operate local lettings policies that can disadvantage homeless people when they do not take certain categories of people, so it is a complex picture. However, in a situation where you have got record numbers of people living in temporary accommodation, we certainly think that housing associations and the Housing Corporation need to look at whether they are doing enough. I think it is a very interesting and important issue for this inquiry to explore with your other witnesses.

**Q52 Mr O'Brien:** Have you a view of any circumstances where housing associations would be right to refuse homeless people?

**Mr South:** The Homelessness Act puts down very clear criteria about when people should and should not be accepted into social housing and we think that should act as the guide—the Housing Minister at the time, Lord Falconer, was very clear about those circumstances. We do think that it is often the case that people are refused access to social housing in circumstances where they should be allowed access.

**Q53 Mr O'Brien:** Are you saying it should be left to the private sector then to take up the undesirables?

**Mr South:** That in itself is a very important question in the sense that if the social housing sector is not taking people with complex needs then where are they going? This Committee did an inquiry into the Housing Bill and many of those recommendations have been taken on as the Bill has been going through Parliament. But one of the issues that came up there is that if you are leaving it to private sector landlords to take the strain on that, very often the problem is simply moved on and it can be magnified in that situation. We come back to the principle that very often, for people with complex social needs, social housing should be where they are housed.

**Q54 Mr O'Brien:** Do you think that choice-based lettings schemes have helped or hindered homeless people's access to permanent housing?

**Mr South:** I think the jury is out on that. Obviously choice-based lettings are being piloted at the moment. We have argued very strongly, and we are doing some work on this, that they should benefit homeless people and that homeless people should get choice over where they live. That is something that we need to watch, see what transpires through the pilot schemes and keep an eye on.

**Q55 Mr O'Brien:** How long have the pilot schemes been running?

**Mr South:** I do not know. I could not answer on that but I think they are getting towards the point at which the evaluations should start coming through in the not-too-distant future.

**Q56 Chairman:** Some homeless people are not particularly well organised and they are not particularly capable of working with bureaucracy. Choice-based lettings discriminate against them, do they not?

**Mr South:** It does not have to, if homeless people are given the information and support et cetera to be able to make an informed choice. That should be something that we aim for.

**Q57 Chairman:** And stock transfer companies are obviously now responsible to their existing tenants and to their business plan. Does that mean that they are less sympathetic to homeless groups?

**Mr Sampson:** I think there is some anecdotal evidence to indicate that, yes. Where we look at the range of pressures on housing associations, one does find that some of the requirements from government—for example to drive down the level of rent arrears and the anti-social behaviour agenda—and pressure from their investors and their existing tenants, all may conspire to pressurise them or to make them more risk averse in deciding who they take. Over a period of time that might quite naturally reduce the number of homeless individuals that they are willing to house. That pattern is not across the board. I think the important thing here is to say that the anecdotal evidence we have found is that there is a range of very good housing associations but a number of them seem to be less willing to take people whom they may regard as more troublesome.

**Q58 Mr Sanders:** You express some concerns about the way councils house homeless households outside their districts. What are those problems?

**Mr South:** I think in London certainly the evidence is that around 15% of placements now are out of borough. We did a survey of 400 homeless households and the evidence that showed is that homeless children in that situation are missing 55 school days a year on average. They are very often placed a long way from their school so the choice is to have a very, very long journey to school or you have to find a new one. One in 10 parents in that survey had no school place for their child at

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all. So there are educational problems and dislocation there. There is also distance from family support networks. I think the thing about temporary accommodation (and you asked this of your previous witnesses) that we would want to stress is the insecurity and instability that it causes. As well as the numbers increasing, the length of time that people are spending in temporary accommodation has virtually tripled since 1997. In London the average is 381 days. In some cases families are spending two or three years in that situation. You arrive in temporary accommodation, you are told it is a temporary situation, and two or three years later you are still there. It is that instability and that insecurity coupled with placements a long way away from your home areas that are the real cause of the problems and damage that temporary accommodation causes.

**Q59 Mr Sanders:** Is it not inevitable that there will be out-of-area accommodation and authorities will have to use it sometimes?

**Mr South:** To some extent, and in London certainly, which is where you get most of it. Obviously there are problems with the supply and location of temporary accommodation within those boroughs. Anecdotally, there is evidence that in other areas of the country, out-of-area placements are becoming more common. That should not be the case necessarily. One of the key points we want to get across today is that local authorities should be more strategic, not just in their overall housing strategy, but their use of temporary accommodation. Their homelessness strategy should help that by giving a clearer picture of levels of homelessness and where that homelessness has taken place, and then they ought to be able to procure through private leasing, temporary accommodation in those neighbourhoods so people do not have to go out of area.

**Q60 Sir Paul Beresford:** Part of your answer therefore could be to recognise that some of the temporary accommodation is better than much of the long-term accommodation and perhaps there ought to be a move towards making the temporary accommodation contracts longer?

**Mr Sampson:** I think if we had a situation whereby a particular form of temporary accommodation for a particular family was decent quality, was close enough to area to meet their support, education and welfare needs, and where the financial regime attached to that temporary accommodation allowed for incentives to work rather than disincentives (which is the situation in so many of the cases now), and where families could know that they were in that particular form of accommodation for a predictable length of time then, yes, I think that is absolutely right and it would be very positive for the family. The difficulty is that for too many families none of that stuff is currently in place. Particularly the unpredictability of it, where a family does not know whether it is settling into a particular form of temporary

accommodation for a matter of weeks or a matter of years, and therefore does not know whether it is worth persisting with keeping bussing their child to the other side of town for school or whether it is worth trying to get the child into the local school and buy the new school uniform and all of that stuff. That is the real problem at the moment.

**Mr South:** Private sector leased accommodation is very often better quality. Very often what comes with it though, because the rents are so high and Housing Benefit is so high is that there is no incentive for people to get into work. For example, a single mother with four children living in a house in an outer London borough getting £230 a week in Child Benefit and Income Support and her rent fully paid for by Housing Benefit at £280 a week, which is not an uncommon sum, what that would mean if she wants to get into work is that she would have to earn £680 a week just to make that break even economically. So you have got huge, huge disincentives to work.

**Q61 Chairman:** Family Tax Credits do make a difference, do they not?

**Mr South:** Yes they do, but the way that Housing Benefit tapers away means that those disincentives are still very large. Certainly one of the recommendations that we would put forward is to switch the bulk of that subsidy away from Housing Benefit and into a direct grant regime (which would be cost neutral). Then you would overcome some of those work disincentives and make it possible for people to get into work in that situation.

**Q62 Sir Paul Beresford:** Are you saying that we ought to be looking again at who we subsidise? Should we subsidise people or bricks and mortar?

**Mr South:** Yes.

**Q63 Chairman:** You are saying yes we should subsidise bricks and mortar?

**Mr Sampson:** Absolutely, switch the subsidy from the people to the accommodation.

**Q64 Mr Sanders:** I want to talk about hostels for a second. Do you think some local authorities deliberately do not provide hostels for single homeless people in their areas in order to persuade them to go elsewhere?

**Mr Sampson:** We have not got a huge amount of anecdotal evidence of that, although there may be some. But one can well believe in a situation whereby some local authorities have shown more of a desire to move homeless people on than necessarily engage with them and solve their problems, that there is also pressure to drive down hostel accommodation.

**Q65 Chairman:** You would not like to name one?

**Mr Sampson:** I would not under these circumstances. It is tempting, but no.

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**Q66 Mr Betts:** Go on!

**Mr Sampson:** Don't. I am trying to be good here! I think there is an issue with hostel accommodation at the moment. Certainly there is some good stuff that has been done with hostels recently. There has been an expansion in hostels and the quality seems to be improving and certainly the investment that government is about to make—£90 million on hostel-type services—will be very, very welcome. However, I think we must be cautious about expanding our hostel system and producing a hostel system which merely seeks to accommodate a greater and greater number of people who are awaiting non-existent long-term housing. Already it is the situation that well over half, something like 70%, of single homeless in hostels leave those hostels for negative rather than positive reasons. They are evicted or they give up or they go elsewhere and go back into the cycle of sleeping on friends' floors or disappearing into prison or wherever it is they go. That is because, frankly, they are waiting in those hostels for an increasingly long period of time for non-existent social housing. To expand the hostel system is fine, to improve the hostel system is fine but in the end it comes back to where we started, the investment has to be in long-term housing rather than just expanding services for managing the number of homeless people around the place.

**Q67 Mr Betts:** We talked previously about social services and their role but clearly there are other agencies, particularly the Health Service and education which have a role to play. What is your view about the extent to which government in general is joined up on these issues? Very often we find in difficult homeless cases mental health problems, drug abuse problems, alcohol abuse problems, and they may cause the homelessness or the homelessness may cause those problems but there is an inter-relationship there.

**Mr Sampson:** Sure. There are signs that government is beginning to embrace the fact that, as you say, these individuals have multiple needs. The cross-governmental homelessness ministerial working party is one such thing. There is also recognition on the part of the Social Exclusion Unit that these are individuals that the Government must engage. All those things are welcome politically. What, however, does not seem to be happening on the ground is a great deal of co-ordination in that bits of government policy seem to be working against other bits. In particular, some aspects of the anti-social behaviour agenda that have a major emphasis on enforcement and a punitive approach do not seem to be adequately linked into the provision of services to help people solve their needs. So it remains the case in London that you may well be identified as being a street sleeper or beggar with drug treatment needs, but getting access to good quality, immediate drug services remains extremely problematic. So the fledging signs of joined-up government at the top still do not seem to be translated into joined-up action on the ground.

**Mr South:** Particularly when you talk about education. One of the findings of the survey I mentioned earlier is that only one in five homeless families who are eligible for Sure Start are getting access to that service. They have an important flagship policy, which is a very good, very successful government initiative, that is not actually reaching homeless people. I think they need to look at that. The DfES also needs to look at things like the grant that they make available for vulnerable children—travellers, asylum seeker families, those sorts of families—because those grants are not made available for homeless children, who are very often, as we have described, in very difficult circumstances. So I think more needs to be done across government to link different policies together and particularly to make the experience of living in temporary accommodation (which as we have described is now anything but a temporary experience a lot of the time), a less damaging one, particularly for children. We have talked about the statistics. Nearly two-thirds of homeless acceptances are either families with children or families with pregnant women so kids are bearing the brunt of that. That is the central point that we would come back to. More needs to be done particularly to improve the experience of children in that situation.

**Mr Sampson:** If I may just very briefly add, it is not just central government either; it is also local government. In the survey we did of local authorities' implementation of homelessness strategies, what that revealed is that only in a very, very small proportion of cases had social services actively been engaged in writing those strategies, despite the efforts in very many of the local authorities to get them to engage. They would occasionally turn up for meetings or they would send somebody at a relatively junior level who would never come back again. 80% of those strategies were written largely, so far as we can judge, without adequate social services involvement. At local government level is also a real issue that needs to be engaged with.

**Q68 Mr Betts:** Did you give that information to the local authorities and did you get a response from them?

**Mr Sampson:** We gave that information to local authorities and we also gave it to the ODPM who are carrying out a wider piece of research on those strategies. It may be useful to find out what their findings are but I would be very surprised if they were not similar to ours.

**Q69 Mr Betts:** Is that in the public domain?

**Mr Sampson:** We can certainly provide it.

**Q70 Mr Betts:** That would be quite useful for one or two of us to follow what our local authorities are doing. While we are on this area of special needs, I was at a housing conference in Birmingham last week and I suppose one of the elements of homelessness that often gets forgotten about is homelessness of older people. You mentioned at

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the start that there was a clear priority for families with children and women who are pregnant but it often gets overlooked that old people, particularly with mental illness problems, can have very real and particular needs that are often forgotten about in the system.

**Mr Sampson:** That is absolutely right and in fact we run a service in Sheffield deliberately targeted at providing floating support for older people, either older people who have a long history of homelessness and we are trying to support in maybe their first tenancy in a while, or more particularly the growing number of older people whose tenancies or indeed their home ownership status is at risk because of their difficulty in managing physical or emotional or mental frailties. Given the demographics in this country, that is going to become an increasing issue.

**Q71 Mr Betts:** Going on from there, you have talked about preventing people from becoming homeless by trying to help them. This is another big issue, is it not? You express some concern that sometimes prevention is a way of simply massaging the figures rather than doing anything real?

**Mr Sampson:** I think in some cases it may be. We have to be very careful about this. The Government's emphasis on prevention is one that we fully support and there are a lot of very good initiatives that are contained within individual local authorities' homelessness strategies that we want to see funded and implemented. However, in a situation wherein local authorities have a very limited stock and access to social housing, and a growing level of demand on that housing, and at a time when the number of homeless acceptances and homeless people that are officially recognised by government is coming under increasing scrutiny, there may be incentives for some local authorities to drive down the number of acceptances, and prevention therefore may become a way of finding a disguised mechanism for refusing to accept some people who are homeless.

**Q72 Mr Betts:** Are there some particular examples of good practice that you could point to?

**Mr South:** Without rehearsing what our colleagues from York said, they evaluated our Homeless to Home projects (of which there were three around the country) providing tenancy sustainment support. The evidence from that is they have over the medium to longer term tenancy sustainment rates of 90% and they are very successful at keeping people in their homes.

**Q73 Chairman:** Those three projects are where?

**Mr South:** Birmingham, which you are going to see I believe, Sheffield and Bristol. The other important aspect of those projects is that they can be very

cost-effective. Of course they cost money to set up and there are up-front costs but in the long term there are very important spend-to-save arguments in the sense that making a homelessness application is expensive. The Audit Commission estimate that the cost of a failed tenancy is around £2,000 and then there is the cost of putting people in temporary accommodation. We reckon that that service can save as much as £2,000 to £3,000 per household on that basis. As I say, they are very successful in keeping people in their homes. The Government estimate that repeat homelessness is running at around 10%. In some local authorities they estimate that it is as high as 40% getting on for 50% so you can see that by using those services and by giving them priority they can make quite an impact on levels of repeat homelessness and also we must not forget that that addresses the human cost of homelessness as well.

**Q74 Mr Betts:** Finally, there is a fair degree of predictability as to when people are going to leave the Army or prison. Is enough done to deal with people's housing problems who can often become homeless in that situation or should we be looking for more from the authorities?

**Mr Sampson:** I certainly think we should be looking for more from the authorities. The phenomenon of ex-military personnel sleeping rough has been known for decades and very little effective has been done. There are some signs of engagement with the MoD on that and we have a project in Colchester trying to do just that, but that is not the same as a properly co-ordinated and structured approach. The situation in the prison system is indeed far worse, simply because we know that whether or not somebody has a stable address to go to is the single greatest predictor of whether or not they are going to reoffend. Despite that, the Prison Service for years has failed to put in place adequate re-settlement housing interventions. It is not just about interventions at the point when somebody is leaving prison and then trying to re-settle them. What is so desperately required is engagement particularly with those many short-term prisoners, who are only going to be in the system for a matter of weeks, at the point at which they enter the prison system. It is at that point that you may enable them to hang on to whatever tenancy they have and prevent rent arrears accruing while they are in prison. There does need to be a far greater emphasis within the Prison Service on proper re-settlement services in a system which is overcrowded already and where access to prisoners is extremely difficult. I recognise that that is a tall order but nevertheless the Prison Service do need to engage more strongly with that.

**Chairman:** On that note, can I thank you very much for your evidence.

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**Tuesday 30 November 2004**

Members present:

Andrew Bennett, in the Chair

Mr Clive Betts  
Mr David Clelland

Christine Russell  
Mr Adrian Sanders

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*Witnesses:* **Councillor Angela Harvey**, Cabinet Member, and **Mr Steve Moore**, Westminster City Council; and **Councillor Tony Newman**, Chairman, Housing Committee, and **Ms Genevieve Macklin**, Director of Housing Policy, Association for London Government, examined.

**Q75 Chairman:** Can I welcome you to the Committee for the second session of evidence on homelessness, but before we start this session, can I just place on record my appreciation to all those people who helped us with our visit to Birmingham and gave us informal evidence while we were there. Can I now ask you to identify yourselves for the record?

**Cllr Harvey:** Yes, I am Councillor Angela Harvey, Cabinet Member for Housing in the City of Westminster. My responsibilities also include rough sleeping.

**Mr Moore:** My name is Steve Moore and I am the acting Chief Housing Officer of the City of Westminster.

**Cllr Newman:** Councillor Tony Newman, Chair of Housing at the Association of London Government, Cabinet Member with housing responsibilities currently in the London Borough of Croydon and the Leader elected to Croydon Council.

**Ms Macklin:** Genevieve Macklin, Director of Housing Policy at the Association of London Government.

**Q76 Chairman:** Do any of you want to say anything by way of introduction? We have obviously had your written evidence, but if anyone wants to make a brief statement, please do.

**Cllr Harvey:** Thank you, Chairman. No doubt many of you will think of Westminster as an affluent place and will question why we are here today to talk about homelessness, but the reality is that Westminster is a city of very mixed places. The recent Indices of Deprivation identified one of our neighbourhoods as the most deprived in London, and perhaps this was exaggerated by the Census undercount, but certainly more than half of our wards are more deprived than the national average, and two are among the 10% most deprived in England. We are also a very diverse city and we are proud that people from a range of backgrounds choose to make Westminster their home. About 30% of our residents are from an ethnic minority group and just over half were born outside the UK. There are over 100 different first languages spoken by the pupils of Westminster's schools. Today there are three principal areas of concern that we would like to draw to the attention of this inquiry. Firstly, on homelessness, benefits and employment, where the current system of funding temporary accommodation creates a poverty trap for residents from which it is virtually impossible to escape, there

is an alternative and we would propose a system which would not cost any more, but would provide an incentive for homeless people to work. Secondly, the local connection rules, as they currently stand, are difficult and make little sense in a transient place like London where we have a 25% population change every year in Westminster. The move to sub-regional procurement of affordable housing and away from direct funding to local authorities and the advent of the Growth Areas make it more difficult to satisfy people's demands to be housed locally. Finally, on rough sleeping, the problem of rough sleeping is not going to go away and our message is that the Government's focus and funding need to be sustained. For every 15 people we help off the streets, another 14 arrive, and it is time to take even more and a greater sustained effort to manage the numbers down. The recent emergence of nationals from the EU Accession States sleeping rough on our streets is evidence that this is a constantly changing agenda, and I addressed a select committee of the Polish Parliament ten days ago to talk about the successful free movement of workers with the issues of support to rough sleeping in Westminster. Thank you, Chairman.

**Q77 Chairman:** Thank you. Do you want to say anything?

**Cllr Newman:** Yes, very briefly. London boroughs are working very closely together to address many of these pressures in London, but London does have 60% of the nation's homeless households. I think some of the other key areas I am hoping we might move on to are the balance between what is known as 'key worker housing' *vis-à-vis* the needs of those who are the homeless households, the key impacts in terms of overcrowding in parts of London, and also just to prove that where London boroughs have had what has often been very limited and targeted funding from ODPM in terms of the Bed and Breakfast Strategy that saw children taken out of bed and breakfasts in London, and very welcome too, and homeless strategies, we can actually come up with effective solutions if we are working together as boroughs with the OPDM.

**Chairman:** Thank you very much. Can I just emphasise that if you agree with each other, then please do not say anything more, and if you disagree, get in as quickly as you can.

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**Q78 Mr Clelland:** Given the resources available and the current planning regime, do you think the Office of the Deputy Prime Minister are being realistic when they say they hope to reduce or get homelessness under control by 2008?

**Mr Moore:** Looking at our supply and demand patterns, we have about 5,500 people a year coming to us as homeless applicants, and we accept around 1,200 a year. Now, over the last three years, we have lost the investment that we were previously making of around £10 million a year in local social housing grant and that has cut our amount of new units coming through RSL investment by about half. We are currently seeing our temporary accommodation rising by around 200 a year, so that is people in temporary accommodation of 200 a year, despite over 80% of our available units each year going to homeless households. So against that backdrop, unless there is a significant increase in the overall supply coming through, it is extremely difficult to see how we are going to be under control by 2008, and I think all the indicators would suggest that where we are at the moment is a rise in the temporary accommodation population going on into the foreseeable future.

**Q79 Mr Clelland:** So what is your estimate of the situation in 2008? Will it be worse than it is now or better than it is now?

**Mr Moore:** Certainly I would expect more people to be in temporary accommodation in 2008 than there are today.

**Ms Macklin:** Can I just add to that that I would agree with that because in London as a whole temporary accommodation is going up by 5,000 per year, so it illustrates Westminster's issue at the more local level, and there is not sufficient supply to be able to counter that. In fact, the number of social rented units predicted in the London Housing Strategy is 5,500 per annum, but we have already received recent information which suggests that is going to be 800 units short of that target, so that means that the temporary accommodation problem is going to increase. I think there are ways in which we can address this issue, which are not just about putting more funding into new social rented supply, although that is welcome and that is what we need as well, but there are other measures which we submitted in our evidence, like the Better Value Investment Model, which is really about just using the large sums of money that already go into temporary accommodation in a different way and it actually has cost benefits and savings to government. There are also a number of other initiatives which will produce longer-term savings for government which help to increase the supply, so again the Better Value Investment Model will produce 40% more housing by just using the same amount of money, but using it on permanent housing instead of temporary accommodation. I think that does require the DWP, the Treasury and ODPM working together and we would like to see initiatives like that coming through. Similarly, there is the Revenue Incentive Scheme, and Westminster has already mentioned the loss of local authority social housing

grant, which was funding an additional 1,000 units in London. We have put forward a proposal at the ALG for high-demand authorities, which has already been defined by ODPM through the right-to-buy discount initiative, so in high-demand authorities, if an incentive is given to boroughs to use their usable receipts to help RSLs develop more housing, that is another cost-benefit analysis for government, so we do not just have to keep talking about more and more money going into new supply, but it is about better using existing money.

**Q80 Mr Clelland:** But on the question of provision of new housing, Westminster have criticised the Government's concentration of new affordable housing in the Growth Areas, but is it realistic, indeed economic, to build new homes in central London given the land prices?

**Cllr Harvey:** I would like to answer that in two ways. First of all, the new Growth Areas do not take into account the infrastructure costs and I think our own experience from the 1970s and 1980s when large estates were built and people went in in one go, it led to much more uncohesive, shall we say, communities than we would have wished. Therefore, by having a steady trickle where we can build, certainly our experience is that it develops more cohesive communities. As I say, the new Growth Areas do not take into account the costs of the infrastructure itself. Also people do want to live in central London and we have, through our affordable housing policy, working with private developers, produced over 1,000 new homes in the last five years, so there is a way of getting advantage within. Can I say that when the Gershon reforms come through, of course there will be some land available in central London and perhaps we might want to develop that thought further.

**Q81 Mr Clelland:** Can I ask the ALG about choice-based letting schemes. Do you think that these will help or hinder the equivalent housing schemes?

**Cllr Newman:** I think choice-based letting schemes are, where they work, a very positive thing indeed. I have a choice-based letting scheme in my own borough, Croydon, which was set up in partnership with Shelter, who worked on it with us. It has removed the old points scheme of allocating housing and this, in a borough, like London as a whole, where there is extreme housing pressure, is a much fairer system where people can see what type of property they might be applying for, how long they might have to wait if they want a property in a certain area, and if they are prepared to look at living in other parts of the borough, then that may reduce the time to wait for a property, but it seems a much more transparent and much more fair scheme. The challenge in London, some London boroughs now work on a sub-regional basis together and it is looking at how one can then move into cross-borough nominations. The ODPM are talking about, with the ALG and others, the possibility of sort of pan-London opportunities and that I think, in principle, is something the ALG can support, but only at a time when the supply has been addressed

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and we are a long, long way from there now because if you attempt to move into pan-London lettings when there is such a limited supply, you can to a degree address that on a borough level, but it will not work. We have seen how housing can be misused in London in terms of outfits like the BNP in Barking, Dagenham and other areas playing off people's fears around housing and choice-based schemes with wild allegations about who may or may not move into an area, and it is a very sensitive area and I think before getting much more ambitious than one or two well-working borough schemes in London, we need a lot more work on this in terms of how we are going to tackle it. It must be done, as I said, in relation to supply because, without sufficient supply, it simply will not have any credibility.

**Q82 Chairman:** How many people are you actually housing in your local authority who are not homeless?

**Cllr Newman:** Croydon is just above the average, I think. About 65% of the people we house are homeless.

**Q83 Chairman:** So it is a very small proportion of people coming off the ordinary housing list?

**Cllr Newman:** Yes, and London boroughs as a whole, that average stands for London at approximately 65%.

**Mr Moore:** If I could add Westminster's figure, we are running at about 83% this year and we were running at above 80 in the last five years, so a significant proportion of the overall available net stock goes to the homeless we are housing.

**Q84 Christine Russell:** The question I wanted to ask you was that you mentioned a figure of housing and affordable homes that you provided overall in Westminster, but is that in a year?

**Cllr Harvey:** That is over the last five years.

**Q85 Christine Russell:** So what policy do you have with developers? Do you have a percentage where you say to developers, "Right, we want 25%", or 50%? What do you say to developers of housing schemes?

**Cllr Harvey:** We say 30% because the use of land in Westminster is very complicated with the commercial pressures and there are many other things that people can do with land in Westminster and make money out of it, so we had to make sure that we set a target which was achievable and we are very pleased with the results at 30%.

**Q86 Christine Russell:** And the developers are quite willing to cough up 30%?

**Cllr Harvey:** Well, it takes some negotiation with my colleagues in some cases, but we are getting 30%. We had a recent case where we went higher than that, but that is untypical.

**Q87 Mr Sanders:** The Government is investing an increasing proportion of funds in key worker housing and in low-cost home ownership schemes rather than general social housing provision. Is the balance of priorities right?

**Ms Macklin:** I think we would say no, certainly from a London-wide ALG perspective. The point I was making earlier was that with the large number, with the disproportionate problem that London faces with 60,000-plus households in temporary accommodation and rising, 60,000-plus houses severely overcrowded and rising, the only way we can address that severe housing need is to provide affordable rented housing. Unfortunately, the supply of affordable rented housing has been dropping over a number of years and the target used to be about 75% of the ADP-funded programme and it is now less than 50%. I have mentioned already that there is a target in London now for 5,500 social rented units and that is already not going to be delivered. Now, if that happens, what we can see is that the temporary accommodation pressures are going to increase and the overcrowding problems are going to increase, so we would argue that more needs to be invested in social rented housing and there is a way to do that. For example, if you give a greater weighting to severe overcrowding in the distribution formula, that will help somebody to supply more social rented housing. We have also worked out that from the Spending Review announcement of the additional 10,000 homes nationwide, if London got 40% of that, 4,000, and that is based on its backlog need and its emerging need, then those 4,000 homes would help to contribute towards the 50% affordable target of 15,000 units across London in the Mayor's plan and in the London Housing Strategy, so it does mean more resources to London. Where London has the greatest proportion of the nation's problem, if we want to tackle those problems, then I think London is the place to do it.

**Mr Moore:** Can I just support the ALG on that and say that we are as one on that particular issue. It is very difficult when we are dealing, as we are in Westminster, with such acute homelessness, particularly at the lowest level where we are talking about rough sleeping where people have absolutely no choice in some instances and we are having to help them from the streets, it is very difficult, as a housing professional, to look at the investment that we have now got coming through and think that key workers should be a high priority. Certainly in terms of the north London sub-region, the two-year programme we are currently in the midst of, over 52% of those units are social rented and the rest are for key workers. The balance is not right, so it does need to get better.

**Cllr Harvey:** In fact some of our fellow boroughs in the north region are finding it difficult to let people take up the key worker accommodation and people just are not taking it up.

**Q88 Mr Sanders:** Given the pressures that you have got with an increasing proportion of social housing being let to homeless households, is this causing problems in creating mixed and sustainable communities on social housing estates?

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**Cllr Newman:** I think it is and coming back to the point we just made about the key worker investment, it is how we need to address this in the future and be careful that we are not putting people into what you might call too fixed a category, given an ever-growing list of who is and who is not a key worker and homeless households because, linked to training opportunities and linked to education opportunities, it should be that someone who is perhaps today a homeless household, in terms of their ability to train perhaps in further education or in a different career perhaps they then can be defined as a key worker. I think that by saying, "That block are key workers and these people are homeless", we do risk perhaps making some of the mistakes of the past. Just on that key worker point, there is clear evidence that there is not a take-up across London and it is very ill-defined. My own local paper recently carried a half-page advert which said, "Are you a key worker? Ring this number and get a house for £50,000". Well, most people in housing are still trying to work out the definition of a key worker, let alone readers of *The Croydon Advertiser*, so there is a lot more work that needs to be done on this. Clearly some housing for key public service workers is a reasonable aim, but the ever-expanding list of who is a key worker at the expense of those in immediate housing need, I think we need to keep this at the very least under a very thorough review indeed.

**Q89 Mr Sanders:** Are you finding that the social housing landlords are reluctant to accept a high proportion of homeless households which are nominated by local authorities?

**Mr Moore:** No. We have got very good links with our RSL landlords. We do not have any difficulty in putting people forward. We do have various support measures which support people coming forward if they have particular vulnerabilities or difficulties and we make those support services, with floating support, et cetera, available.

**Q90 Chairman:** So the 83% that you were saying is coming off the homeless list, that is the same whether it is going into your own stock or whether it is going into housing association stock?

**Mr Moore:** Indeed.

**Ms Macklin:** The problem here is that the overall lettings available have dropped by about 30% in the last three- or four-year period. The supply and demand statistics show that the RSLs are accepting a higher proportion of homeless households. Nevertheless, they argue that they would prefer to have more economically active households in order to fulfil sustainable communities and the more mixed and balanced communities agenda, and they are requesting that boroughs work with them to develop local letting plans. That is fine, but again it comes back to the severe problems around the level of overcrowded and homeless households that need to be accommodated and, therefore, going back to the point that Councillor Tony Newman has made that we must be more holistic in our approach and we must make sure that we are not talking about

homeless households as a category, but we have got to link it with other initiatives, like the Key Worker Initiative, with key worker housing for the homeless and existing social tenants and let's make them key workers so that they can become more economically active.

**Q91 Mr Betts:** Because of the pressures of the existing system, do you think local authorities are now getting tougher about those they accept as homeless?

**Ms Macklin:** There is no evidence to suggest that. It is a very kind of legal definition and acceptance that they have got to follow lots of legislation. I think what has happened is that the level of acceptance, the evidence shows, has remained pretty stable, or it has increased slightly, but not significantly. I think it would have increased more significantly but for the work that boroughs have been doing around prevention strategies and there has been some real success in that area. We carried out recent research at the ALG and the prevention strategies, particularly around rent deposit schemes and mediation for young people, 16- and 17-year-olds, have shown to be, very effective in terms of preventing, and, for example, the mediation services for young people have had an effect of almost 45% in those young people who have been presenting themselves not then being accepted as homeless and alternative options there.

**Q92 Mr Betts:** Are there tensions across the different boroughs because there are obviously different rates of acceptance? I understand that the figure for London as a whole is about 44% of people who are presenting themselves as accepted as homeless and in priority need and in Westminster, for example, it is just 21% which is less than half of the London average.

**Cllr Harvey:** Well, Westminster is a very nice place to live. Of those we accept we break them into three parts and certainly about 25% of those we accept have no connection with Westminster at all. As my colleague said, it is very focused and there is a strong local focus as to what we can do. There are legal requirements.

**Q93 Mr Betts:** But why is your acceptance rate just half of that?

**Cllr Harvey:** I think it is because more people apply who do not have the right to be housed under the social housing reference.

**Q94 Chairman:** Do you have any information about the people you have refused? Do you know whether the people that you refused then applied to somewhere else as homeless and were accepted? That would illustrate your claim that Westminster is a nice place, so people apply first in Westminster rather than somewhere else.

**Mr Moore:** There is evidence that people do represent elsewhere and they have no local connection. About a third of the people who come to us overall have absolutely no connection with

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anywhere and their movement is such that they have lived in so many different places that they do not actually form a local connection anywhere.

**Q95 Chairman:** So you are tougher on them than other people?

**Mr Moore:** Well, I think we apply the law and we apply it correctly. We obviously have finite resources and we want to make sure that those people who do get the benefit of the legislation are people who properly qualify, so we have a stringent gatekeeping policy, but a fair gatekeeping policy. Occasionally we are judicially reviewed and I have to say that most of the time our judicial reviews are upheld, but we work very closely with the local law centres, et cetera, in making sure that our decisions are transparent and people can see that they are fair, but yes, I do take the point that we have got a very good record on gatekeeping, but even allowing for that good record on gatekeeping, we still have a severe shortage overall in terms of supply. There is a complete disparity between demand and supply.

**Cllr Harvey:** I wonder if I could continue with that. Of those accepted as homeless in the year to March 2004, less than half of them demonstrated a local connection to Westminster for more than three of the last five years, and a quarter of them demonstrated a local connection of only six months of the last twelve months, and, as I have already mentioned, 25%, a quarter, had no local connection proved. I think that all of us here would like to talk about the local connection rule inasmuch as the money coming to us is no longer locally based, in fact it is shared, but we still have to house people within Westminster who wish to be housed within Westminster more than elsewhere and the money is going—

**Chairman:** I think we will probably want to pursue the local connection a bit later on.

**Q96 Mr Clelland:** Another way of tackling this problem is to prevent homelessness happening in the first place. Is there something about how the strategies which were introduced in the 2002 Homelessness Act are working out? Are they proving to help to resolve these problems?

**Ms Macklin:** I think certainly homelessness strategies have helped. I think the whole policy around the kind of reduction in bed and breakfast targets for families and the development of local strategies has been very, very helpful to boroughs. There is still an analysis, some research that needs to be carried out because it is early days yet in terms of seeing the overall effect, but certainly the work that was done around prevention is proving to be successful in certain areas around certain prevention strategies and less successful in other areas, so it does depend on local markets. The three elements of prevention strategies that have worked best, as I mentioned earlier, are, firstly, the rent deposit scheme and that has cost-benefit measures coming out of it as well as help to reduce the number of acceptances and help prevent homelessness. Then the homeless visiting officers and mediation services for young people are very successful and I have

already mentioned the success with the mediation for young people, and both of those in particular have cost benefits to them.

**Q97 Chairman:** The rent deposit scheme, can you just very briefly explain that to me?

**Ms Macklin:** It is where, usually in the private rented sector, the landlord will ask for as a deposit a month's rent in advance as well as the deposit, so the borough funds that perhaps up to £2,000 per household.

**Q98 Mr Sanders:** Does it actually pay money to the landlord or does it hold it in trust?

**Ms Macklin:** Some of the boroughs will do a kind of scheme where they do actually pay out the deposit and it is not returnable. Others, which is obviously more cost-effective, provide a rent guarantee service to the landlord. That scheme, the young persons mediation service and the visiting homeless officers are also working quite well. One that is not working so well is mediation for families and that is largely because of the supply issue where the highest percentage is for families and friends who are evicting existing occupants and that mediation service is not really working there and that is largely because there are too many people in the household and they need to be in another additional family unit, and that just reinforces the issue around overcrowding and the need for greater supply.

**Q99 Chairman:** If you throw them out, they come to the head of the housing queue, do they not?

**Ms Macklin:** Yes, absolutely, but what we are saying is that the prevention methods which have been introduced by local authorities to try and help families to accommodate them for a bit longer are less successful than the other prevention schemes, and that is because it is really a supply issue rather than something where you can help relationships work better, which works for 16- and 17-year-olds and other young people, but less well for families.

**Q100 Mr Clelland:** The supply is uneven across London. Is this not something which is really too big an issue for the individual boroughs to deal with? Should this not be a GLA issue, the whole question of homelessness in London?

**Cllr Newman:** I think there is a role for the GLA, but if you look at how well local borough homelessness strategies have worked, and the word "local" is key here because in boroughs of between 100,000 and 300,000 people, these are significant-sized places, having a local input into the local need I think is critical. The ALG and the GLA have worked together on some projects, and Notify is a project where information about those people who move into temporary accommodation in London is shared, and I think a balanced approach where it is right to have a London view and pan-London information with, I think, still the delivery focused at the local borough level has, I think, worked reasonably well. I think around some of these strategies is the concern of some of them that if you went pan-London with them, you would lose that

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connection with what is actually happening in local communities and lose the solutions and the answers as well, so I think there is a balance to be struck.

**Mr Moore:** We do not believe that one size fits all. London is a very, very large city with lots of dynamics and lots of different requirements, and what fits residents in the centre of London is worlds apart from the leafy suburbs of Bromley in the south and Enfield in the north to the centre of London, Kensington and Chelsea, ourselves and Lambeth and Southwark, so I think the issue for us is that the GLA has a part to play clearly, as does the ALG, and we make sure that we tap into those resources and we make sure that we use any conduit that we can to further the aims that we have, but at the same time we do require local discretion.

**Cllr Harvey:** If I can just add to that, I think that if we want to strengthen and make more cohesive our communities, to do it on the local borough basis will help enhance that rather than diminish it.

**Q101 Mr Sanders:** Moving into Supporting People, there have been major cuts and increasing uncertainties in funding for the Supporting People programme. What has been the impact in providing services for the homeless in London?

**Ms Macklin:** About 35% of the Supporting People funding in London goes into homelessness projects, so it is a fairly high proportion and I think probably higher than anywhere else in the country, so the sort of reductions in the funding could potentially have significant issues. I think one of the things that the boroughs are grappling with at the moment is really the kind of timing of when the reviews of their strategies are taking place because with the uncertainty about how the funding will be distributed and the formula, it necessarily means when you develop a formulaic approach that some boroughs will lose and some boroughs will be better off, so they need time to be able to review what they are doing with their Supporting People services in order to be able to ensure that they can adjust their programmes and meet the needs and particularly those of homeless families. I think at the moment the issue that they are most concerned about is having sufficient time to be able to review those strategies and adjust them in order to take account of the funding changes that will happen.

**Mr Moore:** We have about 50% of our Supporting People grant going into our homelessness or associated funding streams, so clearly we have been hit quite hard, as other boroughs have, by the formulaic approach in terms of no increases for inflation and real cuts in percentages. The way we have dealt with those to date is to take a very hard-nosed look at all of the contracts that we have and actually impose reflective cuts in the amount that we are prepared to pay and shave some of the frills off the edges, if you like, in terms of the overall. Where we are now is that we are waiting for next year's grant announcement, any day now, we are told, which does not really give us a great lead-in time to the 1<sup>st</sup> April to actually put in place what we will need to make it fit, but quite clearly we are concerned with the sort of noises we are getting in terms of what

may be the imposed cut this year which will have a direct effect on the services that we can provide and we will have to start cutting services.

**Q102 Mr Sanders:** What is your view of the bureaucracy associated with the programme? Is there anything the Government could do or you could do at the local level to ease some of the complexities of monitoring and the bureaucracy associated with Supporting People?

**Mr Moore:** I think there was a learning curve at the outset on Supporting People and I have to say I put my hand up because I still do not feel that I adequately know the full complexities of the Supporting People regime, and I am very fortunate to be in a team where we have people who understand it a lot better than I do, but it is complex. It is complex in the way it is put together, the way the bids were put together and the way it is applied across the board.

**Q103 Chairman:** Could the Government simplify it?

**Mr Moore:** We believe so, yes, that there are ways of simplifying the way forward.

**Q104 Chairman:** So that would actually mean that the money got spent on people rather than government and local authority bureaucracy?

**Mr Moore:** Well, we certainly have not got massive bureaucracy going into it, but certainly any regime where it ends up on the first day that you have got to carry out a major review of those contracts cannot be one that has been set up directly accountable.

**Q105 Mr Betts:** Homeless people often have a variety of problems, apart from the fact that they have not got a home. It could be that those problems are created because they are homeless or it could be that they are homeless because of those problems, whether they are older people, people with mental health problems or people with alcohol or drug abuse problems. Have you got those problems sorted out so that you are actually dealing with the issues in a comprehensive way and other people providing services, other organisations, are actually linking into your homelessness strategy and is it actually working?

**Mr Moore:** It does work, I would say, very much so. I think probably in terms of national averages we have double the amount of people presenting to us who are accepted as homeless who have, for example, mental health problems. About 20% of our cases are mental health cases and about 20% of our cases perhaps are physical disabilities and a further 10% are elderly. Now, in all of those categories, they are about double the national average, so we have had to respond to those with direct links into floating support services and mental health professionals. We fund, along with the Wellcome Fund, and ODPM, I would hasten to add, various services around mental health assessments and ongoing support and these areas are vital in actually making sure that the homelessness issue is not just a matter of finding a home and putting somebody in there,

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but supporting the person as well and we are very clear that our services are holistic and they need to cover the range that we believe they do.

**Q106 Mr Betts:** And is this an area where the Supporting People budget gets pushed down so that it creates further problems?

**Mr Moore:** I think that the future on SP, as I have already intimated to a colleague of yours, is that the pressure which will happen from here on in will mean that services will have to be cut and some very hard and difficult decisions will have to be made and that could well be one of the areas.

**Q107 Mr Betts:** In many cases homeless people, although they may be housed, are actually housed in temporary accommodation away from their normal area of residence and that then causes difficulties in terms of them accessing the support services for mental illness or drug and alcohol abuse, so is that a major problem area?

**Cllr Newman:** I think that is a critical issue, and returning and linking that to something we said earlier around whether we should be investing in areas of London that are high cost, critically we should support services to temporary accommodation, the ability to have accessible and easy move-ons for somebody who has been homeless perhaps with other issues and challenges they are facing into temporary accommodation of one sort or another and the ability to be supported within what is their local community, and the ability perhaps for links in terms of family is critical here as well and the support structures there. So although there is an initial, if you like, extra cost and it is very easy to see housing in terms of saying it would just be cheaper to build everything in the Thames Gateway, clearly we need areas of growth as well and it is vital that the infrastructure is in place, but also investing across the capital is equally important, otherwise we are going to see whole areas of London where unless you are earning £200,000 a year, no one is going to be living there. I think a holistic approach is needed as to how the investment is looked at here because all the costs in terms of people with mental health problems or looking at the education costs of families moving around and the impact that has on education budgets, national health budgets and everything else, just seeing this in terms of housing and housing investment ultimately is not where we need to be.

**Q108 Christine Russell:** The Government claims that the target for cutting the number of rough sleepers by two-thirds has been met. Has it in Westminster and across London?

**Mr Moore:** Unfortunately not. We are experiencing extreme difficulty in dealing with the rough sleeping issue in Westminster. We are working very, very closely with the ODPM on our policies there, but we have not seen the reductions that we would have liked to have seen. We were targeting a reduction this year to below 100 by the end of the year and sadly I do not believe we will be achieving that. We have managed to reduce the numbers this year and

our latest count brought the number down to 144 of rough sleepers, excluding the EU Accession States cases, of which there were a further 24 rough sleepers, but we are clearly struggling to get that number down. In order to try and move from our current system, in discussions with both the voluntary sector, with whom we work very closely, the police, who carry out enforcement services for us, and indeed the ODPM, who have sat down and worked out that we do need to move from where we are at the moment, which is a system where we are actually providing services on the street and to a certain extent that does, we acknowledge, sustain rough sleepers where they are, what we are moving to from next April is a building-based approach by which there will be a safety net on the streets to make sure that the most vulnerable do still receive services, but that all other people will be signposted to various hostels where those services and a more detailed and better assessment can be carried out indoors, and we want to make that break between services on the street and services inhouse. We hope and believe that that will be successful and we will start making strides towards reducing the numbers, which we are seeking.

**Q109 Christine Russell:** What are you going to do if they refuse it, they just point blank refuse to go to any kind of support?

**Cllr Harvey:** We will support them, we will continue to support those who are most vulnerable.

**Q110 Christine Russell:** On the streets?

**Cllr Harvey:** Certainly we will do that, but we hope that will be a very small number because those on the streets very clearly know that they are much more likely to be victims of crime, to get tuberculosis, that it is a rotten life, so if we can get people into the building base, on to education programmes and through the system and into a normal life, then that is obviously much better for them, but we will continue to support them. What I want to say very quickly though is of course that Westminster is the recipient of the rough sleeping problem of many other parts of the country where other councils do not have their own rough sleeping policy as clearly in place as ourselves, and, as I say, the mediation to get people to go back to where they have come from has been very successful, but for every 15 we get off the street, another 14 arrive.

**Q111 Christine Russell:** That is the actual statistic?

**Cllr Harvey:** Those are the statistics that we have been given and the numbers who arrive, new people, is 43 new people, never been seen rough sleeping before, so the churn is enormous.

**Q112 Mr Betts:** Can I just raise the issue of hostel accommodation and, first of all, is there a pressure problem there where, like bed-blocking, people are staying in hostels far too long and, therefore, not making the spaces available when people want them sometimes on a temporary basis, and can anything

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be done about that immediately? Also, what about the quality of hostel accommodation and are steps being taken to improve it?

**Cllr Newman:** It goes back to the need to have adequate move-on. There is pressure on hostel accommodation, but the way to address that is where people go from there and we are back into discussions about temporary accommodation, the adequate supply of temporary accommodation in terms of how we are funding that through housing benefit, often very high housing benefit rates, and whether that money could be invested elsewhere. Therefore, to keep the answer brief, Chairman, there are pressures and the long-term solution and answer that we need to continue to work on is the move-on accommodation from hostel accommodation.

**Mr Moore:** We have a significant number of hostel beds in Westminster, around 1,100, and every night they are full. We have carried out a study of those and we believe there is a significant number of people who at one point may have needed that type of accommodation, but do not need it now, so part of our approach to this and move to the building base is to try to sift as many of the hostels as possible, and we are working very closely with the voluntary sector there to make sure that we get move-on in significant numbers to be able to move people off the streets because without the place to support them, the building-based approach will not work, so we are working very hard on that at the moment.

**Q113 Mr Clelland:** Councillor Harvey was keen to talk about the local connections, so this is your opportunity. Are they appropriate to London and, if not, how will you change them?

**Cllr Harvey:** The dysfunction is between the money which comes which is no longer local, but the requirement to house still is, and that is really the nub of it. We have had cut down to a fifth the amount of money that came into Westminster to build affordable housing and, as you can see, the number of people on our homeless register continues to rise.

**Q114 Mr Clelland:** What changes do you want? Do you want more resources?

**Cllr Harvey:** Yes, please! Also if there is a disconnection between supply and demand, we have got to do something about that, so what we would like is to see the local connection rule changed and perhaps instead of after six months or no local connection at all, we could move to some kind of compromise, a connection of two years in the last four, something like that, so that we still have a local connection rule so that we still regard communities and make them cohesive, but that we should not have to accept over half of our people at the moment

that we have on the housing register with a connection of nothing at all or only six months in the last 12.

**Q115 Mr Clelland:** What about the arrangements by which local authorities refer homeless applicants to each other, the interconnection between local authorities? Do these work well?

**Mr Moore:** That works well. Clearly everyone is suffering from supply difficulties, but clearly we do have instances where a particular case wants to be in a particular area, not necessarily within our sub-region, and we have these reciprocal arrangements. They have worked for many years and certainly I know with Tony's authority we have certainly accepted Croydon cases before and indeed they have taken some back in the other direction.

**Q116 Chairman:** Do you think you have managed to refer enough on to the City of London? I will need a phrase from you rather than smiles to get it on the record!

**Mr Moore:** They are reciprocal arrangements that we have got.

**Q117 Chairman:** Would it not be better if the situation got worse in London because would that not convince a lot more people that it was worth moving back to the north of England, to places like Stoke or Burnley, places in the north-east where there are empty homes?

**Cllr Newman:** Well, we have at the ALG got schemes which the ODPM has actually supported in terms of working with all those places and others that you have just named and some people have taken the opportunity to move, but clearly there is a link here, perhaps speaking with a Local Government Association hat on briefly, in terms of where we are going with employment opportunities and training opportunities because the pressures that we get in London which feed back from those authorities and others that you named are that they can see some of these people as a burden on them and it is very much encouraging families to move on if there are employment and education opportunities in other parts of the country and I think that is where we need to get to. I do think that we need to wonder really in terms of what are still some of the projected large-scale demolitions in parts of the country. I know a place in Hull very well and plans to knock down large swathes of that are still in place and there has been a mini housing boom in Hull, so it has gone from £5,000 a property to £30,000 a property. People do want to move into some of these areas, but whether anyone from London would go there, I do not know.

**Chairman:** Thank you very much indeed for your evidence.

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*Witnesses:* **Ms Janice Samuels**, Homelessness Services Manager, Salford City Council; **Ms Janice Bennett**, Housing Services Manager, South Ribble Borough Council; and **Ms Julie Watson**, Service Manager, and **Ms Fiona Goodfellow**, Trustee, (formerly Housing Strategy and Policy Officer, South Ribble Borough Council), South Ribble Key, examined.

**Q118 Chairman:** Can I welcome you to the second session this morning of our evidence session on homelessness and can I ask you to identify yourselves for the record.

**Ms Watson:** I am Julie Watson, Service Manager for South Ribble Key, a charity working with young people on homelessness and housing issues.

**Ms Goodfellow:** I am Fiona Goodfellow. I am a trustee of South Ribble Key. I was formerly working for the housing services at South Ribble Council until a year ago.

**Ms Bennett:** I am Janice Bennett and I am the Housing Services Manager at South Ribble Borough Council.

**Ms Samuels:** I am Janice Samuels and I am the Homelessness Services Manager of Salford City Council.

**Q119 Chairman:** Do any of you want to make an opening statement or are you happy for us to go straight into questions?

**Ms Bennett:** Just one thing, in the interests of partnership, to say that South Ribble Key with the Borough Council celebrated 10 years of working together this year and we have a calendar which shows places where you can sleep rough in the borough. (Same handed)

**Chairman:** Thank you.

**Q120 Mr Betts:** Local authorities generally, but yours in particular, are seeing quite significant rises in the number of homeless applications since the 2002 Act. Is that due to the change in the priority needs categories or are there other factors? Certainly in my own constituency of Sheffield and when we talked to Birmingham the other week, there is some evidence that with the rising house prices more people cannot actually afford to buy a home and they are either remaining tenants of social landlords or they may be exercising their right to buy their own property and as fewer people are rehoused off the housing list, maybe some are choosing the homeless route as a way of trying to find a quicker route into housing.

**Ms Bennett:** I would totally agree with you. Certainly in the last five years house prices in the area have doubled and they were never particularly on the cheap side for central Lancashire anyway, so I think it is between the two. I think it is obviously very high house prices, and wages and salaries have not gone up to match them, and demand where a very, very low percentage are social rented housing, less than 10% for the borough and nearly 90% are owner/occupation and that is a traditional thing both in Lancashire and in the local area, so I think that things have contributed to rising homelessness.

**Ms Goodfellow:** I think in respect of the first part of your question, changes in the Homelessness Act, with the presentations from 16- to 17-year-olds there has been a really sharp increase<sup>1</sup>.

**Ms Samuels:** In Salford with the extensions to the Priority Needs Order, the 16- and 17-year-olds have been the ones which have significantly increased. There are a number of issues around that. We have certainly found that the younger end of the 16- to 17-year-old age bracket have been the ones that have been presenting to us and they often come with very complex needs which are not solved, if you like, by providing them with accommodation even with support for those very young 16-year-olds, who are often just out of school and taking quite a long time getting an independent tenancy and being able to sustain it, and that does cause us some concern in the city. We are slightly different in terms of housing demand and house prices. Salford has always traditionally been an authority that has had quite low demand for its housing stock and it has often been the wrong supply, it has not been the right type of accommodation that people have wanted and, therefore, before the Homelessness Act, we actually did not really have that much of an accommodation problem. It might not have been the right type, but we certainly had enough to be able to meet people's needs. We were hit by a number of factors along with the Homelessness Act around our housing market new pathfinder and house prices are starting to rise, they are beginning to rise and that has had some effect. We are also finding that people are thinking that the route into certainly the public sector stock is by the homelessness route and not by the housing register because the choice is not there at the moment and that is to come with the housing market new pathfinder, so that is similar, yes.

**Q121 Mr Clelland:** What is preventing the expansion of the provision for 16- to 17-year-olds? If demand exceeds supply, how do you cope?

**Ms Samuels:** We do have very, very strong links with social services and with the connections that we have in Salford and we work in partnership with them. What we have found is that even despite that and having a cross-service group that meets around 16- to 17-year-olds' issues, we are dealing with people's lives which are very, very complex and it is often how we manage the services to come into that and certainly funding will come into it in the next few years because, going back to the last speakers, we are very conscious that any cuts to the Supporting People budget will actually have an effect on those services to the less popular client groups in the city and because it will be reducing possibly on the client groups that need those services.

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<sup>1</sup> Presentations to South Ribble Council from 16 to 17 year olds—accepted cases up from 24 in 2002–03 to 44 in 2003–04. There has also been a substantial increase in the number of presentations from people with mental health issues in South Ribble over the last two to three years—acceptances doubling in the last two years.

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**Q122 Mr Clelland:** Why are more 16- and 17-year olds presenting themselves these days?

**Ms Samuels:** We find there are a number of different reasons why they come to us. Often they come to us because there are issues around domestic violence in the property. That could be that they themselves are the victims of violence or it could be that they are witnessing violence within the home. There will be other young people who just have a row with their parents and do not want to stay there.

**Q123 Mr Clelland:** There is not a greater incidence of that now than there was previously but yet we are getting more presenting themselves, so why is that?

**Ms Samuels:** I think there is an awareness of where you can go to get housing services and the services that you need. A big thing for us and something that has started to make a difference is that we have a youth mediator who works in Connexions and when young people come to us he does some work with the family and the young people to try and negotiate them back home in the short term and just give them a bit of a reality check about living in temporary accommodation services and what living independently means.

**Q124 Mr Clelland:** Are all those who present themselves entirely honest in their reasons for being homeless or do you think that often there is collusion between young people and their parents even and their friends to engineer themselves to jump the queue?

**Ms Samuels:** What we find is, because we are dealing with teenagers in particular, if they have a row with mum, or mum has said something that they do not particularly like, their immediate reaction will be to come to Housing Services and say, "I cannot live at home any more. My mum has told me I have to leave". It is about putting some checks around that information, so we have our youth mediator who will talk to the family and often you will get behind the fact that they have just had a row that day. What it does is offer some check about the ones who are coming through to us who have got genuine homelessness issues or where it has just been the fact that they are perhaps not wanting to be at home because they have had a row.

**Ms Watson:** In terms of collusion, I do not think that happens very often. The young people that come to us are usually in a fairly serious state of crisis. Even if it is the fact that they have just had a row, it is not usually the first row; it is usually a long way down the track and when we do try and get them to build bridges and be able to go back home it is often the parents that will not do that, not the young people.

**Mr Clelland:** But these social and domestic strains have always been there, and yet we have more 16-year olds and 17-year olds now presenting themselves as homeless. It is not because this has just happened. Presumably there are other reasons behind why they now think they want to leave home and live on their own.

**Q125 Chairman:** It should be improving, should it not, because the percentage of young people in the population is steadily going down, so the number of 16-year olds and 17-year olds is fewer now than it was a few years ago?

**Ms Watson:** I think there is a vast difference in expectation both of the young people and also of their parents. I do not think that leads into collusion issues but I think there is a vast difference in what people expect to be able to do. Their parents expect that when a young person gets to 16 they can say, "Right; fine. We have gone through this for a number of years. We have actually had enough now. If you think you can stand on your own feet you go and do it", and they cut off the support. That is a change<sup>2</sup>.

**Ms Bennett:** It is society generally.

**Ms Goodfellow:** There is a change also in family breakdowns. There are a lot of issues with step-parents now and that is due to the change in society.

**Q126 Mr Sanders:** South Ribble has told us of its initiatives dedicated to preventing homelessness and meeting the needs of homeless people outside the social housing sector. Do Salford have similar strategies? Are there constraints that prevent further development of these initiatives and, if so, what can be done to remove them?

**Ms Samuels:** We are just beginning to get to grips with a prevention agenda in the city. We experienced a doubling of homelessness presentation over a two-year period in the city. We are working towards a prevention agenda and we are funding it by the reductions that we are making in our bed and breakfast spend. The areas that we are looking at in particular are doing home visits to cases, using our floating support services. We have quite a large floating support service in Salford which is funded by Supporting People, so we are targeting those services to where tenancies are breaking down. We have developed a prevention template so that when people come to us with a housing problem we look at what that problem is and what services we can put in place to try and prevent that tenancy failing. We are working towards—and it will cost money—looking at a range of private sector incentives because we feel that one of the solutions in the city is within the private rented sector and we want to look at how we can encourage private sector landlords to play a part in the retention of housing for homeless people, but there will be a gap in that everybody always wants more money but we feel in terms of priorities for local authorities that is quite a big one for us. We cannot just keep on this treadmill of constantly having lots of homeless people presentations and moving people on into accommodation without trying to put in support services to keep them there, so we are now moving towards quite a strong prevention agenda.

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<sup>2</sup> There are also issues around family breakdown—where new partners/step parents come into the household this can lead to conflict with the young people with an eventual result that they are excluded from home.

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**Q127 Mr Sanders:** Is the use of the private sector in those circumstances not more expensive?

**Ms Samuels:** Yes. The private rented sector in Salford is probably nowhere near the prices that people would experience in London but in terms of where assured shorthold tenancies are failing, and that is certainly one of our main preventing factors in the last couple of years in the city, that can often be for quite a small amount of money when you get behind the reasons why those tenancies are ending. It could be that people have had a benefit shortfall and they have got a small amount of rent arrears which is making a private sector landlord not want to keep that tenancy on, so for a relatively small amount of money, if we invested in that to keep the assured shorthold tenancy going that would mean significant savings in terms of us not having to place them in temporary accommodation.

**Q128 Chairman:** Are you doing that or just hoping to do that?

**Ms Samuels:** That is our financial plan for the next year. We have just put in our budget bid for the next year and we are putting some monies forward to use around that agenda as opposed to having a significant temporary accommodation budget.

**Q129 Mr Sanders:** How are you trying to prevent homelessness amongst young people?

**Ms Samuels:** We have a number of different things we are trying. As I said, we work very closely with Connexions and we have a youth mediator whose background is working in social services with those young people and going into schools and spreading the prevention agenda amongst young people. He plays a significant role in talking to the families and to the young person and trying to find some middle ground, even if it is only negotiating that young person back for a few months so that we can plan better what to do. We also now do home visits so our officers will go out and talk to parents and children in the home and see if there is a new arrangement we can come to in order to keep them there. The only thing we make sure of is that there are no issues of domestic violence because we obviously do not want to put young people back into a difficult situation. We also are doing a piece of work at the moment with young people we have got in our 16-year olds and 17-year olds temporary accommodation provision. Those young people are doing a piece of work around their experiences of homelessness and temporary accommodation. What we are hoping to do is take that back into the schools, but that is something that we have got in development. With the young people that we are seeing, and I do not know whether you find this in South Ribble, it is often too late to do that preventative work. By the time we know about it it is almost too late to build bridges.

**Mr Sanders:** What about children leaving care? In South Ribble's evidence they talk about a joint protocol for those leaving local authority care.

**Q130 Chairman:** Come on. You can have a protocol but does it work?

**Ms Bennett:** Yes, it does work. It works very well. We piloted it for Lancashire. It is being renegotiated at the moment to tweak it to see if we can make it work a bit better with the county council<sup>3</sup>.

**Q131 Chairman:** So what does it mean?

**Ms Bennett:** Both ourselves and South Ribble Key can ask social services for a joint meeting about that young person and call a joint panel; the young person is there and it is discussed about what services that young person will need.

**Q132 Chairman:** Come on, bluntly: does the young person get a house or a flat or something?

**Ms Bennett:** Yes, that is what the outcome of it is. Going back to what you said earlier on, obviously our problem is that we have not got the right sort of stock. South Ribble is traditionally family housing stock or sheltered housing for the elderly, whereas our homeless people that go into temporary accommodation wait an average of nine weeks for an offer of permanent accommodation, for a young person it is obviously much longer because there are very few flats that people can go into. They are very reluctant to share, which is another issue amongst young people. Obviously, a really good answer would be for three of them to get together and share a three-bedroom house and everybody would be happy sharing bills but they just will not do it. Their aspirations are totally different. You tend to find that university or college students will share but the sort of young people we get coming through really do insist that they want somewhere of their own which comes with bills and furnishing and everything else<sup>4</sup>.

**Ms Goodfellow:** Added to that you have got to put in the support necessary to help the young person sustain the tenancy. It has also got to be in an area where there is a support network close to friends and relatives. It is no good putting them in an area where they are going to fail because then it is back to square one again.

**Q133 Mr Sanders:** We have received quite a lot of evidence that says that local authorities vary considerably in how they interpret the homeless legislation and guidance. What can be done to bring about a more consistent approach?

**Ms Goodfellow:** In South Lancashire and other parts of Lancashire we have got sub-regional groups of our homelessness officers meeting where they discuss operational issues and part of that is how you interpret intentionality, who you might consider in priority need, that sort of thing.

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<sup>3</sup> It is a case of making front line social services staff and other partner agencies aware of the protocol in order for it to work effectively. It has worked well in South Ribble when an individual social worker has an interest in young people and has taken responsibility for its implementation in social services— then it works well.

<sup>4</sup> The panel assesses the needs of the young person and refers on to appropriate accommodation. As there is usually no vacant accommodation waiting for a tenant immediate allocation does not happen often.

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**Q134 Chairman:** What sort of percentage of the people who present are you accepting?

*Ms Bennett:* About 53 or 54%<sup>5</sup>.

**Q135 Chairman:** And Salford?

*Ms Samuels:* Salford's is 50 or 55%.

*Ms Bennett:* It has not changed over the years.

**Q136 Chairman:** It is more than double what Westminster are accepting.

*Ms Bennett:* Yes.

**Q137 Mr Clelland:** According to South Ribble you have almost a quarter of applicants coming from outside the district, not all families with legitimate reasons for doing so. Is that also the case in Salford?

*Ms Samuels:* No.

**Q138 Mr Clelland:** It is not the case in Salford?

*Ms Samuels:* No. We do not have lots of presentations from outside the area.

*Ms Bennett:* It is because we are central Lancashire and there are three local authorities whose boundaries wrap around each other. From the centre of Preston to the centre of Leyland to the centre of Chorley is five miles in any direction. They are very close and if you look on a map it looks like one area. People do not see local authority boundaries. They are just administrative boundaries, so people move between them quite freely. If you have a local connection, the local connection can be that you live in Preston but your mum and dad live in Leyland, and if you are homeless under the legislation you have equal access to any of those local authorities because of those local connections. It is very close as a county, particularly in central Lancashire.

**Q139 Mr Clelland:** Do you think anything can be done to reduce that problem?

*Ms Bennett:* I think we cope with it very well.

**Q140 Mr Clelland:** Yes, but do you think anything could be done in terms of legislation, in terms of the rules, to reduce the problem for South Ribble?

*Ms Bennett:* I do not think we see it at all as a big problem<sup>6</sup>.

**Q141 Mr Clelland:** What about the arrangements by which local authorities refer homeless applicants to each other? Do they work well?

*Ms Goodfellow:* We have reciprocal arrangements. South Ribble works particularly with Chorley and Preston quite well. We refer one to them and they refer one back. It works well.

*Ms Bennett:* Ten years ago Chorley and South Ribble did a homeless hostel together and we are looking at other schemes we can do jointly in order to share limited resources between three small district councils.

**Q142 Chairman:** Manchester has been getting tough with people on the streets. Has that meant they come across to Salford?

*Ms Samuels:* We have not noticed a significant rise in rough sleepers. We have always had in Salford a very low count in terms of rough sleepers. The view within the authority is that that is probably because Salford does not have a centre, which Manchester very clearly does. We do know that Manchester have tightened up, if you like, in terms of visible rough sleeping. We have not noticed that there has been a significant impact on rough sleeping in Salford. When we do our next rough sleepers' count we may find that there has been a significant change.

**Q143 Chairman:** When is the next one due?

*Ms Samuels:* We are going to do one in the spring/summer of next year, 2005.

**Q144 Chairman:** Would it not be logical to do one in the winter?

*Ms Samuels:* The only thing that we find in Salford when we do rough sleeper counts is that there is not this highly visible presence, so we feel that if we did it in the winter months we would not be able to find anybody.

**Q145 Chairman:** What you mean is that they find somewhere warm to hide away? They still exist?

*Ms Samuels:* Yes.

**Q146 Chairman:** So your count is not very good?

*Ms Samuels:* At this moment we cannot find ways of finding out where those rough sleepers are going in the winter months.

**Q147 Christine Russell:** Can I ask you about co-operation between agencies? The North West Housing Forum says it is not very good in the North West and you indicated earlier that you thought it was pretty good in Salford between housing and social services. How is it in South Ribble?

*Ms Watson:* You actually get good relationships between individuals.

**Q148 Christine Russell:** At officer level?

*Ms Watson:* Yes, and that is the thing that makes the difference. You mentioned earlier that protocols do not always work and I agree with that totally, but if you have got co-operation between individuals you can go and contact about it if you have got some body, that is going to work. That is down to the individual relationships. There are issues around some of the wider things and Lancashire is a very big county. There are 12 funding districts.

**Q149 Christine Russell:** Is that a problem, where you have two-tier authorities?

*Ms Bennett:* Yes.

**Q150 Christine Russell:** Where you have districts looking after housing issues and the county looking after social services?

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<sup>5</sup> Actual in 2003–04—58%

<sup>6</sup> The burden of carrying out the homeless investigation at the point of presentation as required under the legislation is high and takes up a considerable amount of staff resource. Other authorities may not be as diligent in carrying out their duties.

*Ms Bennett:* Yes.

*Ms Goodfellow:* There has always been a strong partnership between the council and the voluntary sector in South Ribble and a lot of the initiatives—

**Q151 Christine Russell:** At district level?

*Ms Goodfellow:* Yes, at district level. A lot of the initiatives we have got together for young people involve liaison with the voluntary sector.

**Q152 Christine Russell:** What about PCTs and health?

*Ms Bennett:* PCTs formerly were local area health authorities. They were one of the founders of South Ribble Key. It was set up to give young people a focus rather than have, as they term it, men in grey suits which they did not think they could go to. That was one of the reasons that we founded Key. The health authority and the PCT are very much on board with funding it and they see the benefits of it.

**Q153 Christine Russell:** Do you feel in your area the health authorities are being quite responsive to homeless people?

*Ms Bennett:* Yes. Homelessness is one of their priorities and has been for at least the last ten years. Homelessness is very firmly on their agenda as well as hospitals and everything else.

**Q154 Christine Russell:** It is on their agenda but what practical things are they doing about it?

*Ms Bennett:* We have a lot of work with home visitors and we do a lot of training of home visitors around domestic violence and young people. We work on a lot of different schemes and there are various groups that we work with at operational level<sup>7</sup>.

**Q155 Christine Russell:** What about alcohol and drug using?

*Ms Watson:* We work very closely with the PCT team as part of the Drug and Alcohol Action Group locally, so all the agencies do come together and work in partnership. It is very nice to work in a district where it is not just a talking shop. It is very easy to go on into that but we get lots of results out which make a difference to people.

*Ms Bennett:* Under Supporting People we know that we have not got good enough local drug and alcohol services. That has come from the needs assessment for Lancashire and that is going to be one of Supporting People's priorities if it has enough money to commission new services.

**Q156 Chairman:** Are you expecting to have enough money?

*Ms Bennett:* No.

<sup>7</sup> Whilst the health authority give funding to homeless initiatives and projects it has been a bit more difficult to get them engaged at an officer level to improve the day to day services to homeless households. It is difficult to identify an appropriate health officer or section (PCT or health authority) to take forward initiatives and priorities.

*Ms Goodfellow:* That is a big frustration because you are assessing all the needs, and there is clearly a need specifically for—<sup>8</sup>

**Q157 Chairman:** So you are spending your money assessing the needs rather than actually giving a service?

*Ms Bennett:* No. It is such a big county. The partnership Supporting People has 12 local authorities, eight primary care trusts and the county council and probation. They believe that is the biggest partnership in England for Supporting People. The admin team itself in Supporting People consists of seven people. Social services have had to put additional resources in to get it up to that number, because the admin grant is quite small, in order to be able to deliver something like 300 or 400 contracts across Lancashire. They are very diverse contracts too.

**Q158 Christine Russell:** But is that partly because the politicians just have not made it a high enough priority in Lancashire?

*Ms Bennett:* It could be.

**Q159 Christine Russell:** Can I ask you finally about the response that you tend to get in your two areas from social services, where you have the case of a family who have obviously made themselves intentionally homeless and perhaps there is a vulnerable member or child in that family?

*Ms Bennett:* It is usually quite good. Again, it is local officers working who contact them and they will work with you on the case. They have taken people, they have paid off debts in the past, social services, in order to ensure that that family gets rehoused<sup>9</sup>.

**Q160 Christine Russell:** In order to get them a tenancy?

*Ms Bennett:* Yes.

*Ms Goodfellow:* You have to realise that they cannot provide accommodation and that is a big issue. That is for the applicant who feels they are just being shunted between two organisations<sup>10</sup>.

<sup>8</sup> That is a big frustration because you are assessing all the needs, and there is clearly a need specifically for additional services for homeless people with multiple and complex needs ie mental illness and substance abuse but no likely prospect of additional supporting people funding in the near future to meet this need.

<sup>9</sup> Following further enquiries of colleagues, whilst this has happened in the past it is exceptional. It is difficult to get families with former tenant arrears rehoused regardless of whether they are intentionally homeless or not.

<sup>10</sup> Homelessness per se is not a priority for Social Services and this has led to difficulties in negotiating a satisfactory solution for intentionally homeless households. Whilst the homeless code of guidance says that referrals should be made in reality there is little that Social Services do in response to this. They do not have accommodation and unless there are child protection issues they are reluctant to get involved. The problem is not just at a local level but at regional and national level. The housing and social services national agendas are not sufficiently integrated and co-ordinated to produce a real improvement to the well being of the homeless. There are big gaps and a lack of integration with the homelessness, community care and Childrens Act legislation. Ultimately this often means that the voluntary sector is left to respond to the needs of homeless households and effective engagement across the agencies would benefit all parties. South Ribble KEY is seeking funding from Social Services for the services that they are providing.

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**Q161 Christine Russell:** But with the increasing pressures on social service departments to become children's protection departments or whatever, do you find they perhaps downgrade the attention they have given in the past to homeless families?

**Ms Watson:** I think there can be a tendency to want to have somebody else to look after that side of things if they possibly can.

**Q162 Mr Betts:** Right-to-buy applications are going up. Is it causing difficulties now in terms of the availability of stock to house homeless families and has anything been done about it in terms of replacing the stock that is lost with other forms of accommodation?

**Ms Bennett:** Obviously, we are an LSVT local authority. It is now 11 years since we transferred the stock. We were formerly a new town as well. They transferred the stock ten years before. Both the new town ex-tenants and the stock transfer tenants will have been tenants in the past on that, and we do understand that there are still right-to-buyers even on the old new town stock and there is certainly an increase in right-to-buy on the RSL stock in the borough. We are down now to less than 5,000 in the whole of the borough.

**Q163 Chairman:** Less than 5,000 from what sort of figure?

**Ms Bennett:** Probably in the pre-days between the local authority and the new town there would have been about 8,000–9,000. It is probably about half of what it was 10 or 15 years ago and it is family accommodation. The new town built family accommodation for workers to come and work at Leyland Trucks and other things like that which is very much family accommodation. We have no high rise blocks and we have no blocks of flats. We have a few flats over shops.

**Ms Samuels:** Salford mirrors that. When I wrote the initial evidence to the inquiry our right-to-buy rate was 60 properties a month. That has now gone up to 70-plus a month. Again, it is mainly family accommodation that is coming out and accommodation that is on the more high demand estates within the local authority. In terms of numbers, because we do have 20,000-odd public sector properties, it is the family stock that is coming out and that is having an impact on the housing register and the amount of family accommodation that is available.

**Q164 Mr Betts:** So there will be some areas where somebody comes and you accept them as homeless but they also need support from other members of their family and in that area you have a position where there is no housing?

**Ms Samuels:** Yes, and what we have found is that there has always been some sort of mythology within the city that homeless people will want to go to the highest demand areas of the city, but that is not the case. Homeless people want to go back to the community they have been made homeless from, wherever that community is within the city, because of all the links. They might have children in school,

they have got family around who can give them support. The unfortunate thing is that if they are made homeless from those higher demand areas in the city they are going to have a significantly longer period of time to wait to get a chance to go back into the community that they want to live in.

**Q165 Mr Betts:** And there is no obvious solution around?

**Ms Samuels:** For us in Salford I suppose the main one will be, and it is not a short term solution, that we are a housing market renewal pathfinder and there is a definite understanding that there needs to be a planned provision of affordable accommodation across the range and across the city but that is very much in the future and in the meantime we have got this issue of people wanting, quite rightly, to remain in the community and yet we have not got the stock to be able to do that.

**Q166 Chairman:** You have not got the stock but down the road there are empty houses, are there not, so is it not a question of a bit of imagination? Why can the council not buy up some of those empty homes?

**Ms Samuels:** What we are planning to do and what we are doing is that where there are housing market renewal areas going on, and where those properties have been empty we will take those properties back in and in the short term we will use those properties for the housing of homeless families, so that is one avenue that we are looking at. As we say, another key for us is that there is a lot of private rented sector accommodation around. We have an accredited landlord service in the city and we want to make sure that we are using all the possible stock that we have got around. It has caused us some issues in the short term about people wanting to be in the area that they have been made homeless from.

**Q167 Mr Sanders:** Would it be possible to eradicate the use of bed and breakfast in your areas?

**Ms Bennett:** Why? If it is good quality and is well managed it is a very useful source of temporary accommodation for people. It was a deliberate choice of the council after stock transfer to build purpose-built, very modern flats to be used as temporary interim accommodation. Overall we built 31 of those flats. The idea at the time was that that was much too many and probably some of them would be used to house young people on a permanent basis, but in fact they are always full in terms of temporary accommodation. You have to have a period of time to do your homeless investigation so we do use bed and breakfast for young people but we do inspections of the properties. They are in Preston but we do it jointly with Preston and environmental health officers go in regularly to check them. They are well managed, there is 24-hour cover in them. No, they are not wonderful, but they are self-contained rooms with their own doors. A good quality, well managed bed and breakfast can be quite useful<sup>11</sup>.

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**Q168 Mr Sanders:** For single young people?

**Ms Bennett:** Yes.

**Q169 Mr Sanders:** What about other groups?

**Ms Bennett:** We by and large never put families into them. We are able to deal with families within our interim accommodation. We also as a local authority five years ago built a women's refuge which provides us with 24 bed spaces. About a third of all our homeless applicants are from women fleeing domestic violence so we plugged that gap with a purpose-built, state-of-the-art women's refuge, so obviously that helps us as well and that gives the women and children support. There are child workers, outreach workers and so on.

**Q170 Chairman:** How long do they tend to stay in the refuge before they get rehoused?

**Ms Bennett:** Usually it is a maximum of about 12 weeks now. Homeless families will have an offer usually within nine weeks, so women could go in there for a couple of days and then decide to return home, but usually within 12 weeks they are rehoused anyway with support from the women's refuge with outreach workers for a further three to six months.

**Ms Samuels:** In Salford we would like to get back to our traditional non-use of bed and breakfast accommodation. It is only in the last 18 months that we have had to use it. Where we would need to use it we want it to be for single people who we feel could cope quite well in what is unsupported accommodation within Salford. We much prefer to use the temporary supported accommodation provision that we have got, a fixed site provision, so that we can make sure that everybody is getting the services that go with the property as well. We have made significant reductions in the amount of bed and breakfast that we have been using over those six or seven weeks and that in the main has been because we have put a significant amount of effort into moving people into the homeless families project and doing a lot of work with our PCT and social services around the site on support provision. Still, one of our main objectives is not to be using bed and breakfast. Where it is very useful is where people are homeless in an emergency. For two or three nights they need to be somewhere and I think it is appropriate that they are there.

**Q171 Mr Sanders:** What role has Supporting People had in helping to provide services in your areas?

**Ms Samuels:** We work very closely with Supporting People and we have reduced our homelessness strategy at the same time that Supporting People were doing their shadow Supporting People strategy. In some ways we are very well off. We have a very developed, large, floating support service and we also have some 300 bed spaces whose primary client group is homeless people. We felt at the time that we did the strategies that that was quite a lot of resources to use. What does concern us is that we are looking at the moment at those very high need services. We need intensive support because we have noticed an increase in homeless presentations from people with complex issues, often drug and alcohol related issues but also mental health issues. You do not often get people who just come with one particular need or issue. They come with a whole range of them. Our concern is that with the Supporting People cuts in funding which we know are coming it is very difficult to plan long term for services to be able to adapt and be flexible when they do not know the amount of funding that they are going to get long term, because it is difficult for providers to be able to operate in that kind of environment. Probably that has been the biggest problem we have had around developing what was a very good foundation we started off with in the city.

**Ms Bennett:** Two years before the introduction of Supporting People we set up with Preston and Chorley Borough Councils a central Lancashire floating support scheme which is specifically to support people who are homeless at home or in temporary accommodation for a few months and then into their first tenancies, so we already had that up and running through the housing corporation. That went into Supporting People. Until two years ago our annual bed and breakfast budget was £3,000 a year and probably in any one year we had two, three or four people that we placed in bed and breakfast. This year it is £27,000, not big in money terms, but you can see what the increase has meant to us as a local authority. We have probably between six and eight single people in bed and breakfast now at any one time. What we are doing is providing them with a floating support service so they are not left on their own. We do have almost daily visits from the floating support team and they are also encouraged and helped to help themselves by looking at possibly other ways of getting better accommodation quicker than they would if they were waiting for the traditional route through the local authority homeless route and being referred to an RSL partner. A lot of that encouragement is going on.

**Chairman:** On that note, thank you very much indeed for your evidence.

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<sup>11</sup> This increase in presentations has made placement in B&B unavoidable but it is always the last option to be offered. It is classed very much as a short-term, emergency option that is not ideal. South Ribble is currently working with one of our partner RSL's to provide alternative temporary accommodation to B&B for single homeless people and families. The low turnover in RSL stock and the impact of high rents in the private sector coupled with the Housing Benefit threshold mean more temporary accommodation is required than originally envisaged.

*Witnesses:* **Ms Diane Henderson**, Head of Care Support and Diversity, **Ms Helen Williams**, Head of Neighbourhoods and Sustainability, and **Mr John Rosser**, Operations Director, Southern Housing Group Ltd, National Housing Federation, and **Mr Josh Sutton**, Housing and Advice Manager, Craven Housing, **Mr Les Williamson**, Head of Housing, Harrogate Borough Council, and **Mr Richard Adamson**, Yorkshire Coast Homes, Yorkshire and Humberside Forum, examined.

**Q172 Chairman:** Can I welcome our witnesses to the final session of our evidence this afternoon? Can I ask you to identify yourselves for the record? If you agree with each other, please keep quiet. If you disagree, please come in.

**Ms Henderson:** I am Diane Henderson, National Housing Federation. I am Head of Care Support and Diversity.

**Ms Williams:** I am Helen Williams from the National Housing Federation, Head of Neighbourhoods and Sustainability.

**Mr Rosser:** I am Jon Rosser from Southern Housing Group, and I am on the Housing Management Committee at the National Housing Federation.

**Mr Sutton:** I am Josh Sutton. I am the Housing and Advice Manager at Craven Housing. Craven Housing deliver the homes service on behalf of Craven District Council.

**Mr Williamson:** I am Les Williamson, Director of Health and Housing, Harrogate Borough Council.

**Mr Adamson:** I am Richard Adamson, Director of Housing, Yorkshire Coast Homes. We manage the homelessness services for Scarborough Borough Council.

**Q173 Chairman:** Does anyone want to say anything introductory or shall we go straight to questions?

**Ms Williams:** We would like to make a brief opening statement. At the National Housing Federation we believe that long term solutions to homelessness require planning policies, lettings policies and investment strategies to deliver mixed communities and mixed communities are the best places for individuals to thrive and for communities to have the best chance of success, and that we need to avoid the past mistakes of ghettoising vulnerable people in disadvantaged areas. We think a key to long term housing solutions for homeless people is tenancy sustainment and that Supporting People funding is essential to that. Questions are raised by the issues around the continuity of Supporting People funding. What we want to stress is the importance of long term solutions allowing homeless people to be resettled in mixed neighbourhoods.

**Q174 Mr Betts:** Supporting People you have just mentioned, so let us begin there. How can it be made more effective and have you got any criticisms of how it has been operating up to the present?

**Ms Henderson:** We also need to say that it is a successful programme at one level because there is a great deal more money around to identify vulnerable people than there was before it. A lot of the causes of homelessness are around drug and alcohol misuse and domestic violence and there are obviously key people that Supporting People's funding has been directed at. There are some very positive measures, and you heard some of them in the last presentation, in the tenancy sustainment programme where, if Supporting People money can be used to support people, then not only does it help them get into the

most appropriate housing but it also stops the revolving door of people falling out of housing and re-presenting, but there are problems. The whole general stability of the programme is a concern. We are still waiting for this year's allocation. We know there is going to be at least a 2½% cut and for some people it is as high as 7½%, so people are very reluctant to plan long term. We know roughly what the total figures are for years 2 and 3 from now and some of the most forward-thinking local authorities are beginning to plan, but you can understand the nervousness of people planning and everyone is being very cautious. To get new money into the system for additional schemes the only real mechanism is to take money away from something else and that is obviously very difficult when you are working with one group of clients and people are very nervous about that. Again, Supporting People allows for cross-authority mechanisms, which is particularly an issue for quite mobile single homeless people but there does seem to be some evidence that because of the way the money is paid to an administering authority there is some reluctance to be providing a service to someone who technically is with the authority next door. I think that is particularly true of some of the urban unitary authorities whereas in a two-tier system, because the money sits at county level, it can be less of an issue. One of the other things that we have not done in Supporting People is recognise the savings from other departments. If someone has a mental health problem and is appropriately housed with that low level quite cheap support, that would probably be enough to prevent crisis admission into a psychiatric unit. That crisis admission can cost something like £24,000 a week, whereas Supporting People support might be five or six hours at £15 or £20 a week. I do not think we have a mechanism for other departments to measure the savings of Supporting People which might raise its profile and increase its funds. Finally, we do not have a mechanism at the moment for how we put additional supported housing money into the growth areas that the community planners are looking at opening. They are looking at massive development, not particularly down the Thames Gateway expansion area, and for those local authorities there is no mechanism for them to receive additional funds so that when those communities start we want to sustain them with less anti-social behaviour, hooking into crime safety policies, which is where Supporting People money would be really helpful, but there is not a mechanism to do it.

**Mr Williamson:** Could I give a slightly different perspective from North Yorkshire? In terms of Supporting People, we face rather starker difficulties. As you heard from your earlier witnesses, a lot of the additional homelessness presentations since the extension of the 2002 programme are for young people with care and support needs. In North Yorkshire the size of the

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Supporting People budget is inadequate to meet existing support needs, let alone the additional demands that are coming through as homeless presentations week in, week out, and indeed next year we face a 10% cut from Supporting People, so there are real concerns about our ability not just to provide accommodation for young single people but also to support the needs that they have.

**Q175 Mr Clelland:** In their evidence the National Housing Federation expressed some concern about the ODPM targets for reducing rough sleeping and ending bed and breakfast for families and children. Is that a concern which is shared by Yorkshire and Humber Housing Forum? Could we hear a bit more about what the specific concerns are?

**Mr Williamson:** If I could deal with the bed and breakfast issue, in Harrogate we were congratulated at our success in meeting the government's target of not keeping in bed and breakfast for longer than six weeks families with dependent children, but we responded by saying that that masks a real difficulty because in actual fact our bed and breakfast costs have gone up by 300% for other categories of homeless presentations, particularly young single people with support needs. Someone mentioned earlier the size of the bed and breakfast expenditure. Two or three years ago we were spending £1,000 per year on bed and breakfast in Harrogate. Last year we spent £102,000 and that figure is likely to be breached again this year, so there are real concerns. An additional concern we have is that more recently we have had to accommodate people in bed and breakfast outside the district. We have always tried to provide temporary accommodation within the district but as of today we have got something like 19 or 20 households in temporary accommodation, bed and breakfast, in Leeds.

**Mr Adamson:** Speaking as someone who works at a seaside resort, one of the issues at Scarborough is that it is going to be extremely difficult long term to meet the government's target of six weeks for families and pregnant women simply because of the small amount of affordable housing that is available. For the first time since the late eighties/early nineties every single letting in Scarborough borough in the last year has been to somebody who is statutorily homeless with a family. Whether it is a house or a flat it has 100% gone to homeless families. That is likely to continue to be the case even with the prevention strategies we have got in place which are having some effect. We have still got as many homeless acceptances as there are vacancies occurring per week.

**Q176 Chairman:** Is that encouraging people to think that if they are on your housing list they have no chance, so they become homeless?

**Mr Adamson:** Realistically the only chance anybody has got of getting a tenancy is to be statutorily homeless, so I have no doubt there are some who decide that they perhaps might not try as hard as they might otherwise do to avoid being homeless. The trick is to try and create some headroom

whereby we get back to the position where some people are being rehoused straight off the housing register simply because of their housing needs and not simply because they are homeless, and if we work that trick again, which we managed to do in the early nineties, hopefully it will tilt the balance and the presentations will start to go down. At the moment, if you want affordable housing the only way you can get it is to apply and be accepted as statutorily homeless.

**Q177 Christine Russell:** So what are your local planning authorities doing about increasing the provision of affordable housing through the planning system?

**Mr Williamson:** We have a difficulty in North Yorkshire in the sense that the regional planning policy for North Yorkshire emphasises restraint in development as part of a regional policy of encouraging regeneration of former industrial areas in West and South Yorkshire.

**Q178 Christine Russell:** Even for affordable homes?

**Mr Williamson:** I will come back to that in a second. Within the overall availability of sites for affordable housing there is an emphasis on restraint in development within that regeneration objective. Also, the North Yorkshire authorities, in fact all of them, have affordable housing planning policies which require developers of what would otherwise be market housing to provide a percentage of affordable housing.

**Q179 Christine Russell:** What is it in Harrogate?

**Mr Williamson:** Fifty% in Harrogate is the target.

**Q180 Christine Russell:** So how many units has that delivered in the last year or two?

**Mr Williamson:** We have had in the last year or two a couple of large sites, which is exceptional: a hospital site and a Ministry of Defence site, so it is probably in excess of 100 units. That is an exceptional return. We do not have sites of that size on a regular basis.

**Q181 Christine Russell:** So you have only had 200 homes built in Harrogate in the last year or two, of which 100 have been affordable?

**Mr Williamson:** We do not always achieve 50%. It is a negotiating target. There are some community benefits other than housing which are sometimes thrown into the equation by developers to reduce the—

**Q182 Christine Russell:** So it is not a high priority in itself to say that the priority should be affordable housing and not swimming pools or parks or whatever?

**Mr Williamson:** It is a priority for the council, affordable housing.

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**Q183 Mr Clelland:** The National Housing Federation said in evidence to us that the success of the rough sleepers' programme is in danger of becoming the next problem.

**Ms Henderson:** I think what has happened is that the number of people actually sleeping on the street did decrease but, rather than people moving into hostel and other temporary accommodation, and well done to the ODPM for following that up with the hostel redevelopment programme to improve them. What is happening is that people are in those hostels and losing out on permanent housing, the next step. Again, a hostel manager is not housing them, although it may be simplistic to say that. As people move into hostels there is not then the next move which is permanent housing. We tend in the jargon to say that we have "moved on" but actually what we mean is that there is not enough permanent housing to serve people. Therefore, people stay in hostels. They are not moving on and they are not allowing the next intake, if you like, until people have that support into the environment and not in a hostel.

**Q184 Mr Clelland:** Is it purely the shortage of housing that is the problem?

**Ms Williams:** It is houses in the right place of the right size where people want to live. It is not just housing.

**Ms Henderson:** Obviously, that is more acute in London and the south east than it is in some areas, but, just from evidence walking around, people are moving back to the streets slowly. That is anecdotal; I have no way to prove that, but my feeling is that it is backing down to the streets. We need to look at whether there are more imaginative ways of people moving from those hostels to permanent housing.

**Q185 Mr Betts:** Have you given some consideration to the problems arising from the rehousing of homeless people? The National Housing Federation stresses the danger of having too many homeless people in the same area. On the other hand there may be some local authorities and housing associations whose policies effectively prevent homeless families from being taken on, or certain homeless families. Have you got concerns in those areas?

**Mr Rosser:** Perhaps I could come in as my association works in London and the south east, so we deal a lot with housing homeless as they come out of temporary accommodation. We, like most associations, give a very high percentage of our re-lets and new units to the local authorities to nominate to and most of those tend to go to the homeless. There are concerns, particularly with some of the very big sites that we are now moving to in London and Thames Gateway, that you could get quite divided communities with half of it or thereabouts being solely for owner occupation and very low numbers of children, it tending to be couples without children who buy those properties. Then at the back of the site you can have very high levels of density as we house homeless families. I have got one scheme which we are letting at the

moment in the Gateway. In the first 74 units we have got 220 children, which is the size of a small primary school. We have been talking to the council about this and have actually agreed a lettings plan for subsequent phases so that we can try and ameliorate it a bit, but the pressures on them to house their homeless are such that we cannot let it in quite the way we would like to, and so we do get what on the surface look like balanced communities with a mix of housing for sale and affordable housing, but in reality the two are quite polarised communities living adjacent to each other.

**Q186 Mr Clelland:** You have got agreement there. If the authorities were not willing to reach some agreement should the housing association have the right to say, "We are going to refuse to accept that number of people with children who are effectively homeless people"?

**Mr Rosser:** Accepting nominations is a condition of us accepting the grant, so we cannot simply say we will not. There is a debate going on in some authorities who are more flexible than others in this. At a strategic level most of them recognise the issue: these communities are in their areas and their councillors have to represent them, so they have an interest too in them working. Nevertheless, the pressures are there. I think those pressures grow as we get these larger schemes where the boroughs nominating to them are not necessarily the borough that they are in so that you get people from elsewhere nominated. They have a bit less interest in how they run subsequently and that is a concern.

**Ms Williams:** Can I pick up a little bit on planning policy on that? It is also about the use of planning policy not only to deliver affordable housing units but also to ensure that developments are mixed so that we do not see polarised developments for owner occupied housing here and social rented accommodation there but that there is a true mix.

**Q187 Mr Clelland:** In terms of exclusions of certain people from the homeless provision have local authorities got the right to say to people, "You have been engaged in anti-social behaviour in the past. We have got this on your record. You may have come here homeless but we are going to take that into account and have decided that you are intentionally homeless"?

**Mr Williamson:** There is a difficulty there because we perceive that there is an inconsistency between the way in which homelessness legislation is drafted, which focuses around the loss of the last settled accommodation, and the way in which exclusions policies are applied, where you can look further back into a person's housing history and exclude them from permanent housing on grounds of previous tenancy misconduct, for being in rent arrears or for anti-social behaviour or whatever. Indeed, we have six cases in Harrogate at the present time of statutorily having to accept someone who is homeless who you then exclude from permanent

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rehousing because of previous tenancy misconduct, either by the council or through nomination to housing associations.

**Q188 Mr Clelland:** So why do they accept them as homeless if they lost their last tenancy, say, because they were a thorough nuisance to their neighbours?

**Mr Williamson:** That would not be a problem if they lost the last tenancy through that, but they may have lost their last tenancy, which may have been an assured shorthold tenancy, with no blemish on their record, but if you look further back into their tenancy history there is tenancy misconduct.

**Q189 Chairman:** Can you not come up with a scheme by which you manage the new tenancy so that they are probation tenants and pressure is put on them to conform this time?

**Mr Williamson:** You can use probationary tenancies. One of the difficulties that we face is that in trying to nominate these applicants on to the housing associations, the housing associations are looking for evidence of a credible support package and then we run up against the difficulties of Supporting People funding in providing that.

**Q190 Chairman:** What sort of proportion of the credible support case has actually failed? It only costs money if they fail, does it not?

**Mr Williamson:** It will because it will result in what is called the revolving homelessness syndrome. I have not got the information with me unfortunately.

**Ms Williams:** The Housing Corporation published research in 2003 about housing associations' practices in this area. They found that active rejection of nominations by housing associations was fairly rare. When it looked at the main causes of nominations being made to housing associations by local authorities and then not being taken on, it was around issues of outdated information, which was one of the main reasons, so they might nominate someone but subsequently they would have had more children so the property they had been nominated to was not suitable. Where there was an issue of contested nominations one of the most common reasons was around care and support availability to enable that person to retain the tenancy they were nominated to.

**Mr Sutton:** Can I add to that? In Craven, which is a large rural area, we have found that we have not had much of an issue with nominations and blanket exclusions. We have gone some way to try and strengthen that by making sure that we form a nominations group whereby all the housing associations who accept nominations from the local authority get together on a quarterly basis and the idea is to exchange information, perhaps get to know each other and give reassurances about the information that we can pass on about people we have nominated to other associations.

**Q191 Christine Russell:** Following on from what Mr Sutton has just said, at the National Federation you obviously have an overview of the situation. How

well in general do you think local authorities and social registered landlords do co-operate on homeless strategies?

**Ms Henderson:** On the actual strategies? The ODPM has just done some research itself with the Housing Quality Network which has been published in the last month. What is quite interesting is that they say 50% of local authorities' homeless strategies have been worked on in partnership. I was surprised it was only 50%. Talking to our members, I would say that I suspect one or two major associations in an area may have been involved which might actually up that percentage a bit. I do think there is an issue, generally, with strategies in how they do involve their stakeholders but support other housing providers in association and how they talk to other parts of the housing system. We had good examples from Salford of their homelessness and supporting people strategies' meetings but that is not the norm.

**Q192 Christine Russell:** Is it usually the case that the big powerful local authority does not involve and engage with perhaps the smaller housing providers, many of whom are not supported?

**Ms Henderson:** I think in some places the strategy is written as a sort of strategic exercise as opposed to a partnership working. As someone said earlier, I think when you have got individual relationships that work, you have got a much better partnership working in reality than probably there is in some of those strategies. There is always that danger that the local authority has a statutory duty and a power in that sense. The other thing that the report said was that a similar response, even where it has been delegated to a LSVT, a transferred association has taken that role, the percentage that has been involved is about the same.

**Q193 Christine Russell:** Can I ask in Yorkshire and Humberside, how well do you think local homeless strategies are tied in with the regional housing board strategies?

**Mr Sutton:** From a district perspective we found in developing the homelessness strategy we had a very strong partnership and networking ethic in the district. A number of housing associations—probably about 50% of the housing associations—with stock in the area were involved directly with the homelessness strategy and, more importantly, supporting housing agencies under the support agencies were equally involved. We feel that we have a well constructed strategy, certainly from a partnership ethic and a partnership input point of view. That is also fed up, broadly now, from the district into the county in terms of North Yorkshire County Homeless Group meeting on a regular basis where each of the seven authorities in that group will bring up issues and continue to revisit, if you like, the homelessness strategies brought forward.

**Q194 Christine Russell:** What about at regional level, within the wider area?

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**Mr Williamson:** It is not as explicitly prominent as it could be. Currently we are consulting through the sub-regions within Yorkshire and Humberside on the current roll forward of the region strategy. Certainly in North Yorkshire, from the regional consultation events, homelessness has been flagged up much more prominently as an issue which needs to feature in the roll forward of the regional housing strategy. The emphasis of the existing 2003–05 strategy is, as I said earlier, regeneration of the former industrial areas whilst it recognises, also, the needs of high demand areas and affordability issues in areas like North Yorkshire. The reference to homelessness is much more limited than I would expect to see in the future.

**Mr Sutton:** If I can just add on to that. The relatively recent convening of the Yorkshire and Humber Regional Homelessness Group, which was convened by Government Office, is beginning to be a useful forum in which we can get together across the region and again look at issues. An example of its work is across the region the group has been looking at the blanket exclusions policies and the problems encountered with some nomination arrangements. The homelessness from a regional perspective is beginning to develop quite strongly.

**Q195 Christine Russell:** I think it has developed more strongly in the West Midlands, is that what you are telling us?

**Ms Henderson:** Partly yes, from the evidence we gave that example. I think the key thing to say is that it is the regional housing strategy which has resources behind it. It is that strategy that will determine where new houses are going to be built so the importance of linking up where homelessness is with where new houses are going to be built, and hopefully where new towns and people resources will go—those strategies are also linking in—is just absolutely crucial. Also, the regional level is potentially where the idea of more complex letting plans can link together in terms of not rehousing all homeless people in one area, you can have mixed lettings on a new site. Regional housing strategies I think are crucial and they are not mentioned in the ODPM's strategy report.

**Q196 Christine Russell:** Can I ask you, gentlemen, the same question I posed to the ladies of South Ribble and Salford which is how well is the partnership working in your patches with social services and health, particularly with those homeless people who have got acute problems?

**Mr Adamson:** Speaking from the Scarborough perspective, one of the problems in North Yorkshire is all the local authorities have traditionally catered for families and the elderly in terms of housing they have provided. In Scarborough borough only three% of the stock was dedicated to being accommodation for single people who are not elderly or disabled. There is a real issue not only about support but getting a roof over somebody's head whether the support is available or not. We have a local homelessness service improvement plan

which has been agreed with the borough council and other partners to try and develop better support for people who are accepted as being homeless. The difficulty is, going back to the supporting people issue, in North Yorkshire only 8% of the supporting people budget is dedicated to homeless and to support projects compared with I think the national average is somewhere about 30%. We are starting from a very historical low base and there are some real difficulties in terms of developing new projects. Fortunately, the county council has agreed to use the windfall money it has got from second homes to support housing in North Yorkshire and in Scarborough borough we have managed to get some short term revenue funding. Also, we are going to recruit somebody who has worked with young people to try and prevent a relationship breakdown and get people back home if they can. All that funding is two years in duration and my concern is that at the end of two years supporting people will not be able to pick it up and all the good work may go to waste. There is a lot of good work going on but supporting people and the lack of long term secure funding is definitely an issue.

**Q197 Christine Russell:** As the housing manager for Harrogate, in your experience what are the best preventative measures? If you could wave a magic wand, what do you think is the best way of preventing people?

**Mr Williamson:** It is early intervention. It is having the staff resources to identify potential homelessness at an early stage and work with individuals to explore different options, perhaps longer term, more sustainable housing options and in doing so work with particularly parents and friends and relatives with whom potential applicants may be living currently. Like Scarborough we have some short term funding for mediation work, it is only short term but we have high hopes of that. What we have seen in the last two years with the extension of the protection of the 2002 Act is case loads increase dramatically, 50–60%, staffing resources have not gone up anywhere near the same amount so by definition people are intervening later in potential homelessness cases whereas the objective prior to that had been earlier intervention which was more effective.

**Mr Sutton:** Can I just add to that. I think early intervention is absolutely a priority and what I would like to see, you mention a magic wand, if we could get homeless or housing on the agenda in schools, we are talking about 11 years olds or possibly even younger, to raise the issue of housing, perhaps under the citizenship curriculum or something like that, I feel that is particularly an area in which we could do a lot of prevention work.

**Q198 Christine Russell:** How proactive is Connexions in your locality?

**Mr Sutton:** Connexions are reasonably well established.

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**Q199 Chairman:** That is not telling us whether they are any good.

**Mr Sutton:** Connexions have proved very useful, certainly in delivering a homeless agenda. I can give an example. In September, Craven District Council, in partnership with others, held a homelessness expo which was all about raising the profile of homelessness and trying to get a message across to young people in the district. Connexions were able to put us in touch with relevant Connexions PAs and careers advisors in schools. Unfortunately we were not able to get the young people out of school to come to the event. It transpires that we are now able to take the event to the young people in the schools and I feel this is an area that in Craven we want to look at, explore and develop further.

**Q200 Chairman:** Right. Can I take the Forum on to the question about are homeless statistics any good at all?

**Mr Sutton:** I would like to answer that, if I may. I think they are good but they could be better. In terms of measuring homelessness statistics through the P1Es, for example—this is a well established thought I think—it does not give you a full picture. For example, 2003–04, Craven accepted 42 people as full duty homeless, we made a total of in the region of 150 decisions but we had over 200 people come through the door and make inquiries about homeless. So figures that go into the P1Es do not reflect necessarily what is going on at front line level and people coming through the door and making inquiries, accordingly there is perhaps a potential for that extra capacity to go under funded.

**Q201 Chairman:** Sheffield Hallam University have done a piece of work for the Forum, is that right?

**Mr Sutton:** Sheffield Hallam University have done a number of pieces of work in the region. Most recently was the report that was commissioned by Crisis and the Countryside Agency entitled *Your Place Not Mine* and that was looking particularly at hidden homelessness. The three areas it chose were London, Sheffield and Craven which is, as I said earlier, a large rural district.

**Q202 Chairman:** Was the piece of work any good?

**Mr Sutton:** The piece of work was good, yes.

**Q203 Chairman:** What did it show?

**Mr Sutton:** From Craven's perspective it showed a couple of very interesting points really. Of the homelessness people interviewed in Craven, approximately less than 50% came down and presented at local authority. That was for two reasons. The first reason was because of pre-conceived ideas of what any outcome might be.

**Q204 Chairman:** In other words, they thought it was useless coming to see you?

**Mr Sutton:** In other words, yes. But perhaps more alarmingly was a significant number of them did not even know that the local authority had a duty to

provide a homelessness service. It was this aspect that as the homelessness provider, post LSVT, we took on board, and we began to publicise the service.

**Q205 Chairman:** What is the point of publicising the service if you cannot meet the need?

**Mr Sutton:** I think by publicising the service you are going to generate perhaps a true need because there is a danger of under recording your need because people do not know about it.

**Q206 Chairman:** If you record your need you might get the resources?

**Mr Sutton:** That is the idea behind it.

**Q207 Mr Clelland:** Do you consider the increase in homelessness in the Yorkshire and Humberside area to mirror national trends and what explanation do you have?

**Ms Henderson:** There does seem to be a general increase in people presenting as homeless. I am not sure that we are confident as to the reasons why that is the case yet. The bottom line is providing that safeguard for people when they apply, and that we know when people come through the door they are given the appropriate treatment. I guess anecdotally we can say that the widening of the statutory homeless categories from the 2002 Act will have some influence but what most local authorities are saying to us, and members too, is that it is a general increase across the board, it is not just the new categories that have come in, whether that is partly about people being more aware of what help they can get or partly just the way to get housing is to present as homeless. Obviously in parts of the South East, the cost of the private rented sector is prohibitive. It is very complex as to why the numbers have gone up but I do not think the answer is to say it was because of the Act or because of a huge lack of accommodation. It is an addition of all those reasons.

**Ms Williams:** Can I add to that? Picking up the point about the homelessness statistics as well, they show who local authorities have accepted a duty to. Beyond that, there are a large number of people in acute housing need who are not accepted as homeless, maybe they are over-crowded or they are single people who do not meet the vulnerability test. There is a huge level of acute housing need out there not being measured by homelessness statistics.

**Q208 Mr Clelland:** Does Yorkshire and Humberside have any explanation as to why there has been a huge increase or a considerable increase?

**Mr Adamson:** In Scarborough we have had increases because of the extension to the priority groups in the 2002 Act but also we have had a 300% increase in landlords ending short hold tenancies, that seemed to be because of the price increases. It is not the large scale landlord, it is people who own one or two properties and they have decided "My house that I bought for £50,000 is now worth £150,000, I can get the tenant out and sell it". There have been a lot of homeless applications coming in from people who

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say the landlord wants to sell the property. Hopefully if the housing market is cooling down a bit that phenomenon might stop but a lot of landlords have been getting out of the market because they think they can get a better return for their money somewhere else.

**Q209 Mr Clelland:** Are there particular specialist needs in the rural coastal areas?

**Mr Adamson:** Yes. One of the challenges in Scarborough borough—it has three centres of population, there is Filey, Scarborough and Whitby—it is very difficult to provide services without people having to move to the services. There is not a very great incidence of homelessness in rural areas mainly because people who live 20 miles outside of Whitby know that if they come in, they will be offered accommodation in Whitby and they are not going to get back to the community where they lived originally. There is a scale issue, in terms of providing the services there are economies of scale. Rural districts do not have the centres of population that make some specialist services economically viable. Scarborough is 300 square miles so if you put the service somewhere in the middle people have got to come a hell of a long way to access that service and that is a feature right across North Yorkshire.

**Q210 Mr Clelland:** What particular financial problems has the increase in homelessness created?

**Mr Adamson:** Scarborough Council is predicting that its expenditure on bed and breakfast this year is going to be half a million pounds. As I used to work for the borough council and manage its homelessness service before stock transfer, that is more than double what I can ever remember a local authority spending on bed and breakfast in the past. The difficulty being, again as I said, the only provision for homeless families in Whitby is bed and breakfast, there is no hostel in Whitby. People in Whitby will not move 20 miles to move into a council's hostel in Scarborough, quite reasonably. Whitby probably is not big enough to sustain a homeless hostel so the council is working with ourselves and others to develop flexible housing that can be used as temporary accommodation for people who are homeless but if the demand is not there it could be let on a permanent basis to a permanent tenant. That is obviously a long term strategy that may take two or three years.

**Q211 Mr Clelland:** Should there be changes in the way that homelessness services are paid for?

**Mr Adamson:** Somebody has got to pay for them and at the end of the day it comes down to the taxpayer, whichever pot it comes out of. I am quite sure the local authority would love the Government to pay, but whether that is reasonable or not, I do not know.

**Mr Williamson:** Can I just add, the difficulty is that it is general fund expenditure and general fund expenditure is under pressure. Councils are faced

with council tax capping. Let me just give you an example. A small district council in North Yorkshire, Ryedale which is based on Malton, the cost to them of bed and breakfast this year is equivalent to 2% on the council tax. If you look at next year, and have to budget 2% for bed and breakfast and 3% for inflation and you are facing council tax capping of 5%, there is not much room for manoeuvre.

**Q212 Mr Clelland:** If, as a result of our inquiry, the Committee was to suggest to the Government that they should invest more money in housing projects that would benefit homeless people, what would be your top priority for projects as far as you are concerned?

**Mr Williamson:** In North Yorkshire, there is no simple answer to the problem of homelessness because it is an acute symptom of the problem of affordability. The problem of affordability is not easily solvable. If we were looking at measures in the immediate term, it would need to be resourcing more temporary accommodation, hostels and more revenue support through Supporting People. Beyond that you are looking at measures like restricting further the right to buy because it is not a coincidence that the increases in problems of affordability have coincided with councils selling 40 to 50% of their housing stock over the past 25 years. Also, as Richard says, the issue of the prevailing form of tenure in the private sector where there is an inherent insecurity in the form of tenure—the Assured Shorthold Tenancy.

**Q213 Mr Clelland:** Do you think we concentrate too much on owner occupation rather than the rented sector?

**Mr Sutton:** Yes, broadly speaking.

**Q214 Christine Russell:** Finally, can I ask you what is a big question but please can you give us a short answer. There appears to be, amongst the members of the National Federation, huge variance in the way that the legislation and guidance regarding homeless applications is interpreted. Do you feel there is a need for ODPM to look again at the legislation and perhaps consider reviewing it?

**Ms Henderson:** I think the legislation may be okay. I think we are waiting for a revision of the Code of Guidance.

**Q215 Christine Russell:** How long have you been waiting for it?

**Ms Henderson:** I am trying to think. It was mooted when I first started working for the Federation about two and a bit years ago.

**Ms Williams:** For the new Homelessness Act.

**Ms Henderson:** This is the new Homelessness Act Code of Guidance. I think that will help. One of the issues is that it is used very differently by different areas.

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and Mr Richard Adamson

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**Q216 Christine Russell:** Have you been given an indication as to when that may see the light of day?

**Ms Henderson:** No.

**Chairman:** On that note, can I thank you all very much for your evidence.

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## Tuesday 7 December 2004

Members present:

Andrew Bennett, in the Chair

Mr Clive Betts  
Mr David Clelland  
Mr John Cummings  
Chris Mole

Mr Bill O'Brien  
Christine Russell  
Mr Adrian Sanders

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*Witnesses:* **Ms Jenny Edwards**, Chief Executive, and **Mr Howard Sinclair**, Board Member, Homeless Link; **Mr Jeremy Drew**, Foyer Federation; and **Mr Tarig Hilal**, Head of Policy, Crisis, examined.

**Q217 Chairman:** Can I welcome you to the third session of the Committee's inquiry into homelessness and can I ask you to identify yourselves for the record.

**Ms Edwards:** I am Jenny Edwards, the Chief Executive of Homeless Link.

**Mr Sinclair:** I am Howard Sinclair. I work for the Broadway Homelessness Organisation, but I am here representing Homeless Link's Board.

**Mr Drew:** My name is Jeremy Drew. I am General Manager of Portsmouth Foyer and I am here to represent the Foyer Federation.

**Mr Hilal:** I am Tarig Hilal and I am Policy Manager of Crisis.

**Q218 Chairman:** Does anyone want to say anything by way of introduction or are you happy for us to go straight to questions?

**Mr Hilal:** I would like to say a few words. Crisis has been working with homeless people for 33 years now. For the last 27, ever since the introduction of the 1977 Housing and Homelessness Act, we have been working to plug the gap in that legislation and we have been working with single homeless people. There are two things that we would like really to communicate today. The first is that there is an issue in this country about our understanding of the full scale of homelessness. Put very simply, we do not have a full picture of it and one of the things we want to see is a census, a count of the number of single homeless people. The other is that single homelessness needs to be made a priority. I think that is the focus of our submission and is what we would like to communicate.

**Mr Drew:** I would just like to say as a point of introduction really that I am here, as I said, on behalf of the Foyer Federation and that represents 130 foyers across the UK which provide accommodation integrated with education, training and support to 10,000 young people every year.

**Mr Sinclair:** I am here on behalf Homeless Link. Homeless Link is an umbrella organisation for over 500 agencies across the country. It is very hard to quantify, but we reckon that those agencies support over 30,000 people each day in a variety of services and to meet a variety of needs. We work in partnership with everyone, statutory, voluntary, as that is the only way we know how to do our business and for us there are two main issues. One is the supply of affordable and accessible housing for people and the second is, for those 30,000-plus

people, making sure that we identify and meet those needs clearly in a way that is most effective, so those are the issues.

**Chairman:** Thank you very much. Since there are four of you at the table, if you agree with each other, you do not need to say anything, but if you disagree, please step in.

**Q219 Mr Cummings:** Following the Homelessness Act of 2002, there were new categories added to the priority needs list. Would you tell the Committee how the new list has helped the homelessness situation throughout the United Kingdom and whether it has in fact created any new problems?

**Ms Edwards:** I think the legislation was very definitely a step forward and we can see some of the impacts of that in helping people to come in from off the streets, people who before were perhaps turned away without help. However, I think it has created problems in its wake in that then people are held in temporary accommodation and there is essentially a bed blockage if there is nowhere for them to move on to. I think the other problem with the legislation is that although it did strengthen the duty of local authorities to help people who were not homeless in a statutory sense, that often is not followed up in any real and consistent way, and I think you will see from some of the written evidence that that is a general perception. There are about 75,000 people a year who are accepted as being homeless, but are not statutorily homeless because they are not seen as being in priority need or they are described as "intentionally homeless". Their paths after that are not tracked by local authorities and they are often people who turn up in need of help and support at our member organisations.

**Mr Drew:** I think the change has of course introduced and made available to a wider range of people the option to be declared homeless and then given assistance and support, and I would welcome that. Particularly of course it has brought into the arena 16- and 17-year-olds who hitherto had quite considerable difficulty in accessing support, but I think there is still an issue around the areas of responsibility for local authorities. I think there is an issue around ensuring that the young people's needs are properly assessed and, particularly, looking at the issue of young people's needs being very severe, being quite acute really, and that needs to be recognised in the way that local authorities are dealing with it. One of the ways in which we think

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that could be addressed is establishing a unit that specifically looks at the single homelessness question, but also I think it raises the issue of how we can all work together to ensure that we look at prevention as well as dealing with the issue of homelessness as it is, and I think it is a very important area which we would like to see introduced as a performance indicator for local authorities.

**Q220 Mr Cummings:** Interestingly, the evidence suggests that there have been large increases in acceptance since 2002, especially among the people you are referring to, young people, yet the single homeless agencies seem to be saying that the Act has had minimal impact. Could you indicate to the Committee the difference in view?

**Mr Drew:** Well, I think there has been an increase in the number of 16- and 17-year-olds and I think that is clear. Evidence that your Committee has received already has indicated that that is so and I think also in the evidence which has been presented to your Committee it has been suggested that that has probably been because of a heightened awareness first of all and, secondly, because of course there is a statutory responsibility. Hitherto, young people may not have presented themselves as homeless because the opportunity for them to receive help has not been available whereas it is now, so that has probably made the difference to the number of 16- and 17-year-olds presenting themselves.

**Q221 Mr Cummings:** Are you making it just too easy for them to leave home and to use the Homelessness Act to their advantage?

**Mr Drew:** I do not think it makes it easy to leave home. There are a large number of reasons why young people leave home, very complex, and I think particularly foyers across the country are recognising that the issues that are being presented by young people who are moving in foyers, particularly the 16-, 17- and 18-year-olds, have very complex needs. We might say that actually the one main area of cause, if you like, for homelessness would be family breakdown and perhaps relationship breakdown within the family, and perhaps specifically step-parent relationships, but of course there are a lot of reasons as to why those relationships break down. I do not think it is made easy. I think one of the reasons it is not made easy is because the local authorities very clearly do assess whether there is intentionality, and they do that. There are patchy reports, I suppose, across the country as to how local authorities deal with those, and some local authorities possibly deal with those in a more friendly way than others, but I think it is addressed, the issue of whether it is merely a simple way of being housed, recognising, as I think colleagues here have said, on the issue of temporary accommodation, that I do not think they are necessarily offering young people something that they would want really to enjoy if they did not have to, that if they had a stable home, they would not have to.

**Q222 Mr Cummings:** We understand that the definition of “vulnerable” does vary from one local authority to another. Can you suggest any ways in which a uniform interpretation could be decided upon?

**Mr Hilal:** I think one of the answers to that would be stricter guidance. I think one of the very simple reasons why the definition of vulnerability varies is because of the availability of social housing. It is a movable feast and it is a definition that can vary from one part of the country to the other, but one of the reasons why it varies is because local authorities often have limited resources and they are forced to vary it in order to house the people who, it is indisputable, have a right to housing, that is, people who have children.

**Ms Edwards:** The situation is different in Wales and a lot clearer because the test of vulnerability is there for groups, for example, leaving the Armed Forces or leaving prison and I think that takes some of the doubt out of it.

**Mr Hilal:** It is worth pointing out with regards to the increase in the numbers of people who are coming through from priority need that the increase has been among 16- and 17-year-olds where again the guidance is most clear. If you look at the numbers of people who are coming through in the other categories of priority, people leaving the Armed Forces, institutions and so on, the rise has not been significant at all.

**Q223 Chairman:** As far as Wales is concerned with those clear definitions, does it mean they are recognising more people coming forward?

**Ms Edwards:** It does and it was accepted that this would happen as a result of the secondary legislation changing, but that has been planned for and it does mean that more people, for example, leaving the Armed Forces are not ending up on the streets. I think we would accept that we do have a duty of care to them because they do not go through this additional process of proving that they are vulnerable as a result of having been in the Armed Forces.

**Q224 Mr Cummings:** What additions would you make to the Government’s priority needs categories? For instance, should long-term rough sleepers, who perhaps are termed as being institutionalised into that particular lifestyle, become a priority needs category?

**Ms Edwards:** I think there are some additions that could be made to priority needs and you could end up with a very long list, but rough sleepers clearly are very vulnerable and often they have difficulty improving it and often they will not go and prevent it in the first case with the obstacles they feel will be put in their way. However, the alternative approach seems to be the one which is being taken in a phased way in Scotland which is to say that if somebody is homeless, you will not then put a number of hurdles in their way, one of which is to establish that you are in a priority needs category, but you are entitled to

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a degree of help. It is a challenging approach to it, but I think it is a much easier one than gradually adding in more and more groups.

**Q225 Mr Cummings:** How satisfactory are the Government's definitions of "intentionally homeless"?

**Ms Edwards:** There really is not a definition of 'intentionally homeless' and that is a difficulty. It is why nine out of ten people going into some local authorities are turned away and not found to be suitable for help.

**Q226 Chairman:** When you say nine out of ten for some local authorities, the lowest figure we had was about 20% from Westminster, so which are the ones that are worse than Westminster?

**Ms Edwards:** Well, the highest in the last quarter's list was in fact Doncaster with 91% of people who present as homeless having their claims rejected, and there is a whole variety of reasons behind that. That is not saying that all of those are illegitimate reasons, but it is a sign that out of all those people, only one in ten then gets the result that they had gone there seeking.

**Q227 Mr Sanders:** Has the increase in the number of categories simply seen extra pressure on authorities where there was already a high degree of pressure or has it dissipated and has the effect been even across the country?

**Mr Hilal:** My sense would be that it has increased the pressure and it will have increased the pressure more in places like the south-east where there is a bigger homelessness problem and a bigger shortage of housing, but that is the need. If those are the people who are vulnerable, I think the question is whether we need to increase our resources, not whether we need to tighten categories again.

**Q228 Mr Betts:** Just to pick up on this issue of intentionality, is it not a desperately difficult job for local authorities? I am just thinking of many local authorities who have a very clear policy where if someone is convicted of drug-dealing, they are evicted from their council house. It is very simple, and I think that would generally be supported by most people who live on estates and suffer from drug-dealing. However, if someone who has been convicted of drug-dealing comes out of prison, is the authority obliged to rehouse them or do they say, "Well, actually it's their fault because they used to be a council tenant, but they went into prison and they were evicted from their house for drug-dealing"? Is that not the sort of dilemma which is frustrating and would you welcome clearer guidance on that sort of thing?

**Ms Edwards:** It is a dilemma. I think the question for all of us potentially, thinking about the priority for those groups, is that somebody is twice as likely to offend if, on having left prison, they do not have settled accommodation, and about half of the people leaving prison do not have that, so there is this

dilemma: do we reduce the chances of offending and ensure that people do have accommodation or do we say, "Well, you're right at the end of the list"?

**Mr Drew:** Importantly, I think it is whether there is an assumption that actually we will ensure that people are given the opportunity to reintegrate into society and if we are looking at reintegration into society rather than sidelining people because of a history, then we need to be looking at a holistic approach to ensure that that happens and one of the pieces of that jigsaw is housing.

**Q229 Mr Betts:** That is okay as long as the old lady next door can be assured that the problem is not going to continue when the person is rehoused next to her.

**Mr Drew:** Absolutely.

**Q230 Mr Betts:** Just coming on to the issue of young people, is it not two sides of the same coin? We are arguing about whether the number of young people certainly in some instances has gone up because the priority categories have been changed or there is general pressure in the housing market and there is a shortage of housing, but is there not a sense in which perhaps young people now cannot get housing through the normal route? They cannot get on the waiting list, they cannot afford obviously to buy, it is more expensive in the private rented sector, and suddenly the priority gap is opened up as a possibility of getting a house if you are homeless, so is there a bit of collusion with the families who say, "The best way is for us to throw you out, then you can go down to housing and they will find you accommodation"?

**Mr Drew:** What can I say? I have been a practitioner for 20 years and I personally do not believe that actually there has been a change in the approach of the young people. I think there have been changes in society, there have been changes in the pressures within families and changes in the way that families operate, and of course the issue around family breakdown and separation and step-parents, as I have mentioned already, is an issue. I do not think there is collusion and I think the issue of collusion has been addressed and is addressed by local authorities in the way that they are checking whether there is intentionality or not. I think that is evidenced. There may be one or two that actually slip through the net, but I think the issue is what is the offer and what is on offer is not a three-bedroomed house on a wonderful estate, but largely, and very often for young people, it is accommodation within the hostel environment and I do not think you should be looking at that as the most wonderful option of all. There are some very good hostels and very good foyers around the country that do some very good work in ensuring that young people can make that transition into independent living, but I do not think it should be seen as, "Well, that's the best option we're going to get". I do not think that is the route into long-term housing necessarily, as they see it.

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**Mr Sinclair:** Can I support that and say that the waiting lists that there are for hostels and other accommodation make it at times a tortuous route for people to go through. It is not an easy path to go.

**Q231 Mr Betts:** Do you think it is different for young people than perhaps for older people or families who are seeking accommodation? Certainly the local authorities last week were saying that they thought that with the pressure in the housing market and people not being able to access housing from the waiting list where the local authority is key, there was a temptation for some people to present as homeless and to try to create a situation where they might be able to get a house more quickly.

**Mr Sinclair:** I think the priority has been on families and I think local authorities have focused on families and getting families into appropriate temporary accommodation. I think if you had a league table, it would be the young people and the single homeless older people and none of those is an easy option. None of these is an easy route for people to go down and none of these is a route which ends up with a short-cut to permanent housing.

**Mr Hilal:** I think it is important to put things into context in the sense that yes, theoretically people can abuse the system, and I am sure sometimes they do, but I think that the bigger issue is the numbers of people who are genuinely vulnerable, genuinely desperate and in need and are not getting the help and support they require. We did a study about six months ago, it was quoted at the last committee meeting actually, and what we found was that 50% of people, and this was looking into a study at Craven, Sheffield and London, 50% of vulnerable, single homeless people that we had interviewed, and levels of vulnerability were really high, people with drug and alcohol problems, mental ill-health, 50% of those people were not approaching the local authority and were not getting any assistance. I accept that there could be abuse of the system, but I think our biggest fear should be those vulnerable people who are not getting the support they deserve and require.

**Q232 Mr Betts:** What about the under-16s as a category? There is a problem there, is there not?

**Mr Drew:** I think there is an issue and can I give you first of all some statistics which I think will help your first question, which are around young people and accessing accommodation because they just want out and they are creating, if you like, a lie, for want of a better word. For foyers, over 53% have lived in unsatisfactory accommodation before they came here. They did not come straight from parents' homes and 26% slept on floors, 14% slept rough, 7% were in local authority care and so on, so I think the statistics say, "Well, actually no, that is not the case". I think secondly there is an issue for under-16s and that is the issue around prevention. I think there is a very big important role that local authorities can play and the Foyer Federation has a very successful programme called Safe Moves which does work with the 13s-plus, and 13 is quite a critical point for young people, it works with the 13s-plus to prevent them

from becoming homeless and also to do some family mediation and that, I think, links with the findings of the Social Exclusion Unit report, *Young Runaways* of 2002. That was operated as a pilot and now is being mainstreamed and that is a very important process to follow.

**Q233 Christine Russell:** Much of the evidence that we have received has actually blamed the right to buy and the lack of investment in affordable housing through the 1980s and the 1990s as the principal reason for the rising tide in homelessness. Do you agree?

**Mr Hilal:** From all the evidence we have seen, there are three reasons why people become homeless. The first is personal vulnerability, the second is around family breakdown, and the third is structural, such as poverty, unemployment, housing, and I think if we were to identify the main structural reason, then the lack of affordable housing is a critical one. Traditionally, affordable housing has come through local authorities and it has been social housing, which is why we often talk about it, but I think the bottom line is that there are poor, vulnerable people who cannot afford to find a home and that is why we focused on it.

**Mr Sinclair:** I think the lack of affordable housing, and that is social housing, is not necessarily the reason why people become homeless, but actually people become homeless for the reasons that Tarig has said. I think it is a major barrier for people to get out of homelessness and that is the major issue, that actually once you become homeless, then to get back into permanent accommodation is so exceptionally difficult and to get back into permanent accommodation, in employment and contributing to society, it is almost impossible to make that leap without specific assistance.

**Q234 Christine Russell:** Can I go on to ask you about the Government's current priorities which seem to focus perhaps on housing key workers and home ownership. Is that presenting you with a problem too?

**Mr Sinclair:** We ran "Speak out for Homeless People" last week for the London Housing Board and the first question that the representative from the GLA got was from someone who was a rough sleeper who asked, "What's affordability? To us sleeping on the streets, what's affordability?" I think there is a major issue for homeless people across the country, particularly in London, about the focus on key workers and affordability just being totally beyond their reach, almost imagination in many, many cases.

**Mr Drew:** From a single homeless point of view, I think the issue is that there needs to be investment in accommodation for single homeless people and accommodation that is available in the longer term, and that is really the issue. It is not necessarily an argument against key worker housing or anything else, but it is just saying that actually single people going into temporary accommodation, they need to find a route out of that.

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**Q235 Christine Russell:** Can I ask you about the type of accommodation because it is fairly typical for young students to live in houses of multiple occupation, yet again we have had evidence which seems to indicate that homeless people really do prefer single units. They prefer their own roof and they do not really want to share with other people. Is that your experience?

**Mr Drew:** I think there is a very important issue here which is about recognising the complexity of the need of the homeless person in the first place and recognising that there are mental health issues, a history of drug/alcohol abuse perhaps, abuse and so on, a whole host of issues that are there and very often multiple needs, and to expect that person to be able to live in a shared environment, I think, may be a step too far. I think we have to have a good awareness of those issues.

**Mr Sinclair:** I think that is right and I think you have to look at the population of homeless people and their needs. We talk about homeless people as if it is some sort of group that has commonality. Homeless people have two things in common, that they are isolated and they are scared. If you speak to homeless people, that is what they say. Beyond that, their needs are individual, but that isolation and fear is exacerbated by the crimes that are committed against them in a variety of ways and in a variety of settings. When people are in unsupported, shared accommodation, they are very vulnerable. They do not know who is moving next door to them, they have no right to say who is living next door to them and actually I think that leads to some of the difficulties and exacerbates the situation for some people.

**Q236 Christine Russell:** Do you have any comments about the ghettoising, if you like, of homeless people that seems to go on where they are eventually found permanent accommodation and it tends to be on the least popular estates? You have done some work, have you not, Crisis?

**Mr Hilal:** We are particularly concerned, well, everyone is concerned by this issue, everyone who works in the homeless sector, and it is a really kind of knotty problem. There are two projects which we are currently highlighting which we think could offer a solution to this, and I will mention the first as the most relevant. There is a project called 'The Urban Village' which we have copied from the United States of America, a project in New York, and what we are looking to do is to bring together low-income workers and homeless people into one space to create a community where they are offered support to help them get through any problems they may have related to mental health, drug addiction and so on, but also to help them to find work. One of the things which would really make a difference to a lot of homeless people is the opportunity to work.

**Q237 Christine Russell:** So it is a kind of foyer with grown-ups in it?

**Mr Hilal:** Yes, but I think the critical difference being that we are looking to create a permanent community, somewhere where people can at last

settle. So much of the solution that we have to homelessness is about putting people in temporary accommodation. If you look at the £300 million spent by local authorities on homelessness every year, the majority of it is spent keeping people in temporary accommodation and we need to find permanent solutions that reintegrate people.

**Q238 Mr Clelland:** Just on the point of temporary accommodation, one of the problems which is constantly coming through in the evidence to the Committee is this whole question of the 'silting up', of people moving into temporary accommodation, hostels, and not actually moving on. Is that a problem which the Government has created by widening the priority needs without looking at what happens next?

**Mr Hilal:** I do not think it is necessarily an issue of widening the categories of need. I think the widening of the categories was simply a reflection of genuine vulnerability. The Government recognises that these are people who are really vulnerable and they need to be assisted. I think the issue is probably two-fold. The first is related to the lack of move-on accommodation and there simply is not enough affordable accommodation out there once people are ready to leave hostels. The other, and this is something that we do not talk about in the United Kingdom as they do in the States, is related to work. A lot of people who are in temporary accommodation are unable to work because they are trapped by the housing benefit system. Very simply, as soon as you start working, your housing benefit tapers down rapidly and it means that it is very hard for you to move out of accommodation. I think one of the solutions, and many homeless people, in fact everyone we work with, wants to work in something or other and one of the solutions would be to help people, to give people the opportunity to work as well as to give them the opportunity to access affordable housing. I think those are the issues.

**Ms Edwards:** We have recently surveyed the major hostels in London or those providing services to homeless people and we are finding that 43% of the people in those hostels are ready to move on and are just waiting there, and in fact that means that hostels are not able to take more people that they could work intensively with. The ironic thing is this is not all people waiting for high-level supported housing, but many people need low or even no support and could go into general needs housing, but only 7% of local authority nominations go to non-statutory homeless people. There is nowhere for them to move on to. It has either got to be sorted out by supply, by nominations or there is a whole backlog at the moment and we are looking for a special offer from local authorities and other bodies to help solve that blockage because, otherwise, if the numbers start to creep up of homeless people if there is a housing crisis, then there is nowhere for people to go.

**Q239 Mr Clelland:** On this question about the importance of people having the opportunity to work, in that case would it be better if the Committee were to recommend that rather than having so much

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accommodation in the form of hostels and temporary accommodation, that we have in fact more foyers for young, single people so that there is an opportunity to learn a trade as well as just being accommodated?

**Mr Drew:** I suppose I should be dutybound to say of course! I think there are a number of issues though around that. First of all, I absolutely agree that we need more move-on accommodation and if there is anything that is going to improve the situation, it is about making sure that there is single-person accommodation being made available. If we do not, silt-up will continue and I think that is a very big issue. I think, secondly, there is an issue around recognising that not all temporary accommodation is necessarily poor. Foyers are recognised as adequate accommodation with an average stay of around nine months, but actually it is a very holistic approach, as you know, which is around meeting the needs of those young people, including training, education, health and so on. Tarig mentioned the issue about bringing those sorts of facilities into the community and I think that is a very positive approach. Foyers actually work in that way as well. There are different models of foyers and I think making sure that homeless people have access to services, and all the services that they need, will help them to make the transition and I think that is a very important part and is about joined-up working for all agencies.

**Q240 Mr Clelland:** I have a foyer in my constituency and I know a bit about them. You talked earlier about the objective of foyers which is to reintegrate young people into society. Do you have any statistics to measure how successful the foyers are in that?

**Mr Drew:** I will provide those statistics as I do not have them here. I can certainly tell you for my own, and I will provide the Committee with the statistics for the foyers nationally, but for my own foyer, our statistics are close to 70% positive reintegration, which is very high.

**Q241 Mr Clelland:** What does positive reintegration mean?

**Mr Drew:** That means that they gain employment, they gain long-term accommodation, they address many of the issues that they brought with them, if you like, when they arrived, addressing things like health needs, education needs and so on, so I think that is a very positive thing.

**Q242 Chairman:** Is it expensive compared to hostel accommodation?

**Mr Drew:** I would not call it expensive. I have managed, if you like, traditional hostels as well. The issue is whether you provide the services. If you look at the types of services that foyers provide, health provision in partnership with the primary care trust very often, education-based skills, a big issue for the Government and something that the foyers are very keen on delivering, the delivery of qualifications, like IT, of course all of those cost. Now, they could do

those in the community, but actually do not very often. What you are doing is making sure that they have access to them.

**Q243 Mr Cummings:** One of the main aims of the local authority homelessness strategies introduced under the 2002 Homelessness Act was to prevent homelessness. Can you advise the Committee as to what progress has been made in relation to this?

**Ms Edwards:** There are some examples of very good practice and Harrow is often cited as a local authority that has really got to grips with this, and there are some quite interesting, innovative projects around. There is an interesting one working with young people which St Basil's is operating in Birmingham, but they are the exception rather than the rule and I think everybody accepts that there is a lot more that can be done. Local authorities obviously have a very key role at the moment when people present there, but they are not the only part of government that actually could do an awful lot more to prevent homelessness. There are some key points of vulnerability when people leave care, the Armed Forces, or the asylum-seekers' service, or when they leave hospital. Often those moments have failed and we see elderly people perhaps being discharged from hospital without secure accommodation at the other end, we see people leaving the Armed Forces, and the MoD has done quite a lot on that, and particularly we are starting to see a rise in asylum-seekers who have been accepted as refugees, have been through the service and, in theory, have support, but are now arriving in our hostels, making up 20% of the hostel population in central London. Now, that is a sign of preventative work that has not taken place.

**Q244 Mr Cummings:** Do you know how successful the Ministry of Defence has been?

**Ms Edwards:** I have not got the statistics, but I know that there has been a really determined effort recently and that is really starting to show dividends in pre-discharge cases.

**Q245 Mr Cummings:** Does anybody have that information? If the Ministry of Defence is doing so very much, and you are the agencies at the sharp end of the problem, do you not know?

**Mr Hilal:** Well, we do.

**Q246 Mr Cummings:** You do?

**Mr Hilal:** Anecdotally, our experience is that there has been a big impact and that they have helped a lot of people, especially on the prevention side. Now, we do not have a study, but a study has been commissioned, I think it is King's College that is doing it, and it will be out in the next few months.

**Q247 Mr Cummings:** Who has commissioned the study?

**Mr Hilal:** This is commissioned by the MoD, so we will be able to get some statistical data on the overall impact, but we can say, as people working on the

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front line for people who are coming through, and our experience tells us, that that problem is getting better.

**Q248 Mr Cummings:** In relation to local authorities, do you find in the main that they are willing to co-operate with the agencies like yourselves?

*Ms Edwards:* Yes.

*Mr Sinclair:* Yes, I would say that it can work unless there is a problem of joint working across the board. That is not saying it is perfect everywhere or as we would like it to be everywhere, and a lot of local authorities would say the same, but it is essential. Housing strategies are very new and the recent ODPM review of housing strategies I thought was interesting, and if we did not have them, we would have to invent them and it is actually about how we make them work. The way we make them work is by actually seeing them as a conduit for the other local strategies, that they are not stand-alone, but they are actually a way of bringing about local action in local authority areas and that is the only way you are going to stop the average of 1,600 people coming on to the streets in London each year.

**Q249 Chairman:** Can I just pursue the MoD question again. Are they getting good at helping people as they come out of the Armed Forces or are they getting good at those people who were institutionalised in the Armed Forces, came back, having a variety of relationships and jobs and things and then four or five years down the line end up being homeless?

*Mr Hilal:* I think both.

**Q250 Mr Sanders:** The 2002 Act aimed to improve strategic thinking regarding the provision of services to the homeless. Has it happened at a local council level, a regional level, a national level, at a practitioner level or not?

*Mr Hilal:* Yes, is the answer, there has been more strategic thinking, but, an inevitable but, the problem is that the resources that are allocated to local authorities have not increased in a manner that is substantial enough to enable that strategic thinking to have the impact that would be desirable. As I understand it, local authorities received around £18 million for the implementation of the Housing Act back in 2002. Our sense at the time was that that was not going to be enough and I think local authorities probably would say the same.

*Mr Sinclair:* I am not sure I would share the same view, but I think the Supporting People budget and the increase in that has assisted enormously in terms of putting services for homeless people on a much more secure footing than they were three years ago.

**Q251 Mr Sanders:** That is not about strategy, is it?

*Mr Sinclair:* But I think it is about implementing strategy. I think it is about how you make those local strategies work. My sense is that the whole Supporting People agenda has dwarfed the discussion about future strategy in terms of homeless people.

**Q252 Mr Sanders:** So you think the resources direct the strategy, but the strategy does not direct the resources.

*Mr Sinclair:* Yes, I think over the past two years the resource issues have predominated.

*Mr Drew:* Certainly I think there is an issue. The strategies help, but I think the strategies very often need to go further and they are certainly an issue. I will keep coming back to this issue of prevention because I think it is a very important part of the whole and that might seem strange from an organisation that predominantly runs accommodation for young people, but we want actually to prevent young people becoming homeless in the first place, so that really is a very important part of the whole process, I think, and needs to be very significantly one of the performance indicators for local authorities. We need to replicate the type of service that we have mentioned before, such as Safe Moves which has a 40% success rate in preventing the 13-, 14- and 15-year-olds from becoming homeless, and it is very important.

*Ms Edwards:* I think there is a difference in the sort of joining up of strategies at national and local level. I think nationally very many of the key partners are now signed up to strategies, but that has not yet come through in implementation in joining up at a local level. The local homelessness strategies could be the route for that, but it has not got there yet and there are many partners who really need to be actively involved in solving the problems of individual homeless people. If the services are not centred on them and their individual needs, then you might solve one thing, but for people who might be in drug detox and they come out, if other things are not solved, you have wasted your time and resources and that person is actually moved back.

**Q253 Mr Sanders:** Are there boundary problems here? Homelessness does not respect the boundaries of local authorities or the PCTs, so how are you tackling that? That surely should be part of any strategy to work across those boundaries.

*Ms Edwards:* It is a very significant issue because homeless people or all people who suffer exclusion are more likely to move across boundaries and very often painstakingly a package of support has been built up, then they cross a boundary and suddenly there is no local connection, nobody wants to know them and they are at the start of a queue again. Then the hostel or the day centre that they presented to is trying to put together this complex package and then they move on again. It is a real problem and it is one of the reasons why we would like the Government to look at the idea of perhaps a smart-card or a system where, when somebody has been properly assessed because of their health needs, their mental health needs or their training needs, that does not then disappear as soon as they move on, but they carry that assessed entitlement with them.

**Q254 Mr Sanders:** So a compulsory ID card?

*Ms Edwards:* Well, there are a number of issues around this, but in terms of actually ensuring people get the support they need so that they can move on, and if they get it, they can move in—

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**Q255 Chairman:** But an awful lot of these groups who are vulnerable manage to lose all sorts of documents, do they not? Part of their problem is the failure to look after documents.

**Ms Edwards:** There is quite a good tracking system in London though called "Chain" which could potentially be extended more widely around the country which does allow a significant proportion of homeless people to be tracked and their histories and risk assessments to happen much quicker than would otherwise be the case.

**Q256 Christine Russell:** Can I ask you very quickly about rough sleepers. The Government tells us that the strategy has worked and there are now two-thirds less sleeping out on the streets. Is it true and can it be sustained?

**Mr Sinclair:** Yes, it is true and, as I said, it is a success story of all the agencies involved. Can it be sustained? Yes, I believe it can be sustained, but it will not necessarily follow unless we tackle some of the other issues we have spoken about today, notably prevention and preventing people from getting on the streets in the first place.

**Mr Hilal:** I think the only other thing I would like to add to that to support all of that is that rough sleeping remains a significant problem in our country and we should remember that. We are still talking about probably around 5,000 people who are sleeping rough over a period of a year in England alone and if you count Scotland and Wales, that goes up, which is not dissimilar to the kind of figures we saw in the 1960s when organisations like Crisis were set up.

**Q257 Christine Russell:** Would you like to hazard a guess as for how many of those 5,000 it is their genuine, sincere wish to remain on the streets?

**Mr Hilal:** I have real difficulty accepting that anyone with any real choice would ever choose to be on the streets.

**Mr Sinclair:** In London 194 people have a five-year history of sleeping rough and there are 61 rough sleepers on the Chain database who have been referred more than ten times, to give you a sense of that entrenched body of people.

**Q258 Mr Betts:** Is the Government trying to ignore the problem of the hidden homeless and should we actually be trying to do a count of that and can we actually find a suitable definition by which to count it?

**Mr Hilal:** I think the answer on the definitions is absolutely yes, we can. In this country we have a legal definition of homelessness which kind of distinguishes us in many cases, so there is no problem around definition. I do not think the Government is trying to hide from this issue. It is a very problematic issue, but we need to start to look at the problem of homelessness not from the perspective of the number of services that we provide, and that is how we count homelessness now, but how much service do we provide and that is how many homeless people there are. Everything we know anecdotally, in terms of research, every

expert in the country from the Audit Commission through to Shelter would say that there are people out there who are vulnerable and homeless and do not turn up to their local authority for help, and the numbers are likely to be significant. The only issue of contention really is whether we should do something about it or not and I think even there, there is an increasing consensus around it.

**Q259 Mr Sanders:** But who should do that something and if it is the local authority, they will be guided by what resource they have and will be reluctant to get involved if they do not have the resource to deal with the problem which is presenting itself, let alone going out and finding more work to do.

**Mr Hilal:** Well, I think the long-term goal must be to increase the resource. I do not want to sound too idealistic or naïve in any way, but if we live in a country where we believe that homelessness is unacceptable, if we have a legal definition of homelessness and we have a clear definition of when someone deserves help, and those people are still not getting help, then we cannot say we have not got enough resource, but we have to say, "Where do we get the resource from?" Now, we would like to see a long-term move, and we are not saying this would happen next year or the year after, but a long-term move towards the kind of model that they have in Scotland. We live in ambitious times and we live in times when we want to end child poverty and there is no reason why we cannot in the time that we want to end homelessness.

**Q260 Mr Betts:** Is not a lot of homelessness really just what is called "sofa-surfing" where they move around, they share a place for a bit and then they eventually settle down somewhere? Is there really a need to get terribly worked up about that?

**Mr Hilal:** To answer your question, really we need to go to the core of what we mean by a home and for us a home is somewhere that is permanent, secure, decent and which a person has a right to be in, an entitlement to, and that is the legal framework in which we operate. Now, the people that we are talking about are not people who have any of those things and they are certainly not people who are just moving between homes, between university and when they get their job down in London, but these are genuinely more vulnerable people. I say this again, but no one who works with homeless people would be able to tell you that this is not true. I think the real issue is just about precisely how many there are, but we know it is a significant number and we know they are vulnerable. Again I can refer you to the research we did in Sheffield, Craven and London. These are people who are sofa-surfers and the levels of vulnerability were not dissimilar to the kind of people we see staying in hostels and temporary accommodation.

**Mr Drew:** I would echo that. I think the issue is that young people who are accessing foyers throughout the UK, wherever they may have previously lived, come with a range of complex needs and I think it is a simplistic view to say, "Well, that's just what young

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people do". I do not think that is the case in the people we are dealing with who are actually homeless. There is an issue around if we have got to count, we need to be clear about what we are counting and why and, secondly, if we are going to do that, we need to make sure that there is an action plan to deal with the issues that are identified when we do the count, and that is very clear, I think.

**Q261 Mr Clelland:** Some evidence suggests that black and minority ethnic groups are over-represented among the homeless, but is that your experience? Do they have specific needs and could you give us some examples of the work you are doing to address those?

**Mr Sinclair:** Yes, it is our experience and yes, there is an increasing number of rough sleepers, and the population of people in London hostels has gone up from 13% to 35% over the past ten years. The work we are doing, my organisation has completed a language audit and it shows that we work with people who have 44 different first languages in London alone, and that is just a fairly medium-sized London agency. It actually works as more or less about getting to know the individual. It is about individuals and individual needs and working from

there and once we start making assumptions about homeless people and we start making assumptions about people black and minority ethnic backgrounds, it leads us into all sorts of difficulties. We have to work from the individual.

**Mr Drew:** I agree with that, that it should always be about an individual needs-led assessment and about meeting the needs of the individual. I think from a foyer perspective there is some very good work that foyers do nationally in accessing universities, and an interesting statistic only is that we have a particular university support project that runs where 59% of the students are from minority ethnic groups who are accessing university through foyers, so I think it is quite an interesting statistic.

**Q262 Mr Clelland:** How much of this problem is related to immigration and asylum difficulties?

**Mr Sinclair:** It is and we have done some research that shows that 20% of people living in hostels in London are either asylum-seekers or refugees, so I think it is a very real issue. There is also an increasing question about people coming from EU Accession States and being seen to access our services as well, so yes, I think there is a link.

**Chairman:** Well, on that note, can I thank you very much for your evidence.

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*Witnesses:* **Major Ian Harris**, Director of Social Work, The Salvation Army and **Mr Nigel Parrington**, Chief Executive, Salvation Army Housing Association; **Mr Paul Cavadino**, Chief Executive, Nacro; and **Mr Nick O'Shea**, Director of Development, Revolving Doors Agency, examined.

**Q263 Chairman:** Can I welcome you to the second session this morning and ask you to identify yourselves for the record, please.

**Major Harris:** I am Major Ian Harris, and I am the Territorial Director for Social Work for The Salvation Army.

**Mr Parrington:** I am Nigel Parrington and I am the Chief Executive of The Salvation Army Housing Association.

**Mr Cavadino:** Paul Cavadino, Chief Executive of Nacro, the crime reduction charity.

**Mr O'Shea:** I am Nick O'Shea, Director of Development for the Revolving Doors Agency.

**Q264 Chairman:** Well, before we go to questions, do any of you want to say anything by way of introduction or are you happy for us to go straight to questions?

**Major Harris:** Perhaps I could just mention that we are very grateful for the opportunity of contributing to this Committee. The Salvation Army is large and it offers very diverse services in the United Kingdom and in southern Ireland. In the field of homelessness, we have 50 residential centres offering 3,000 beds each night. My colleague, Mr Parrington, who is the Chief Executive of The Salvation Army Housing Association, which is the registered social landlord and our preferred tenant, together we provide services for in excess of 7,000 people a year.

**Q265 Chairman:** Thank you very much. Anyone else?

**Mr Cavadino:** Perhaps I could briefly mention the position, in particular, of people in prison. About a third of the people who go into prison had no home before they went in. Another third have had accommodation, but lose it as a result of serving a prison sentence. That means that the issue of homelessness when prisoners are released is a significant one in its size. It is also related to public safety because the evidence shows, even on the most conservative estimates, that somebody who is released with settled accommodation has a likelihood of reoffending which is cut by a fifth, and there are some studies which put the impact as much greater than that. For example, one study indicated that those released from prison with settled accommodation had a likelihood of reoffending less than half that of similar offenders who were released homeless. It is an issue of homelessness but it is also an important issue in relation to crime reduction.

**Q266 Mr Cummings:** All of you work with people who have alcohol and mental health problems. Do you believe their specialist needs can ever be met under the mainstream, or should separate specialist services be established? Should responsibility for coordinating these programmes be handed over to the voluntary sector?

**Major Harris:** We are dealing with very complex and multiple needs here. To identify individual substance misuse, whether that be alcohol or drug and mental health issues, is very difficult, it is a partnership approach and I do not think it is something that

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should be handed over to the voluntary sector. It is something that we have to work together on and when we do work together well we work together for the benefit of the people that seek our services.

**Q267 Mr Cummings:** How do you believe that could be achieved?

**Major Harris:** My experience locally is that this is really when our people get working together with other social providers in partnership, it is when we work closely with local authorities and it is when we work with primary medical facilities and psychiatric facilities.

**Mr O'Shea:** I would agree. 65% of our clients who have mental health problems or multiple needs require being linked in with six or more services and the key piece of learning from our work has not been about providing a new service that will just work with these people in isolation, it is actually about linking them to some very good services, which it is doing at the moment, it is about getting them to engage with them.

**Mr Cavadino:** There are some excellent individual services. For example, we run a number of accommodation services in partnerships with specialist drugs rehabilitation agencies where we provide housing and housing support and the drugs rehabilitation agency will provide the specialist rehabilitation programme for our tenants. What needs to happen is co-ordination by the statutory agencies. What I would like to see is a greater planned involvement of and partnership with the voluntary sector rather than handing the whole thing over.

**Major Harris:** Perhaps I could give you an example of something that is working in our experience, which is the Cardiff Bus project. It is an initiative of the Welsh Assembly, it is headed up by The Salvation Army, but it is using all the main contributors to services. It is a bus that operates during the day and through the evening as well and it provides really diverse services. It includes medical referrals, it includes psychiatric services, it includes point of contact services as well as referrals on and it appears to be working very well.

**Mr Parrington:** Do you want another example?

**Q268 Mr Cummings:** Yes please.

**Mr Parrington:** In terms of The Salvation Army, which obviously is the largest voluntary organisation in this country, we undertook a pilot in St Helens where we had potential areas of low demand and we had a series of failed tenancies and people not sustaining their tenancy. As a result of combining support and people funding we were able to supply housing support workers to provide additional support to residents moving from homes into general needs accommodation, but with the voluntary support of The Salvation Army they were able to provide community support at weekends and emotional support to people that would not have occurred unless we had that particular link. I think it is important to emphasise that it is a combination of partnerships between the statutory and voluntary sectors.

**Q269 Mr Cummings:** Mr O'Shea, I understand you have a Link Worker scheme to facilitate multi-agency working, and a Multi Agency Review Framework to help local agencies improve their inter-agency co-ordination. Are you aware of any similar initiatives run by local authorities?

**Mr O'Shea:** I would say there is huge variation between local authorities. Islington is a good example where they have many multi-agency panels which come through right from the very serious offenders through to the more low level offenders and as we have worked in Islington the panels that we have set up have become less needed because there are others taking over, but it is very variable. There are other authorities where we work where there is not that kind of work at all and there is no desire for that to happen.

**Q270 Mr Cummings:** Why do you think that is?

**Mr O'Shea:** I do not have a statistical answer as to why that is, but I think it is about priorities. Different places have different priorities for what they want to do. Offenders with mental health problems and who take drugs are not people's priority in every case. If you have got a big problem with families or victims of domestic violence, they are going to be your priorities and it comes down to joint interpretation, but I do not have statistics to back that up.

**Q271 Mr Cummings:** So you do not think it is a matter of cash but a matter of perception?

**Mr O'Shea:** It is always a matter of cash. It is about what you are going to use to prioritise that money for so that everybody has roughly the same amount. In Islington, for example, when you come out of prison you go straight into a reception centre if you are homeless and then you go on from there. In Ealing we have had significant difficulties trying to house people because the resources are being employed elsewhere.

**Q272 Christine Russell:** Mr Cavadino, you gave us interesting statistics at the beginning about ex-offenders and the fact that one-third have no homes when they go into prison and one-third lose their homes during the course of their stay in prison. What are the differences between short stay and long stay prisoners in terms of challenges and what should the Home Office be doing about the problem?

**Mr Cavadino:** Two-thirds of the people who are sentenced to prison each year are sentenced for under 12 months. Most of the people who go in and out of prison are short-term prisoners, but a short prison sentence can still mean that you lose your accommodation.

**Q273 Christine Russell:** I thought Housing Benefit was paid for some of the period.

**Mr Cavadino:** If you are going to be in custody for 13 weeks or less on a sentence then you can have Housing Benefit paid to cover that period. That assumes, of course, that you are clued up enough to claim. That is why it is particularly important that one of the recommendations in our written

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memorandum, namely that all prisons should have a housing advice service available to all prisoners who need it, should be implemented as soon as possible. It is part of the Government's longer-term aims in their Reducing Reoffending National Action Plan, but it needs to happen as rapidly as possible. If you have a housing advice service it means that as soon as somebody goes into prison you can interview them, assess their housing need and, where it is possible, keep their accommodation open for them during a short sentence, contact the local authority, make the Housing Benefit arrangements, surrender the tenancy promptly so that the prisoner does not build up arrears through not doing that which will rule him or her out of being rehoused and those arrangements can be facilitated greatly if there is somebody who can advise the prisoner and make those arrangements as rapidly as possible.

**Q274 Christine Russell:** That is probably easier to achieve where you have a local authority or a housing association as a landlord. Would there not be particular problems if the prisoner was in private rented accommodation?

**Mr Cavadino:** Yes, there are particular problems. One of the problems is the fact that if the landlord is not prepared to rehouse that prisoner even under the arrangements that I have just set out then the prisoner, if he or she is going to go back into the private rented sector, will then face a series of obvious problems related to the fact that they have no money on release. If rent in advance is required then it may be possible to achieve that through the Social Fund, if a loan can be achieved for that purpose, but you cannot normally get that kind of assistance for a deposit and many landlords require a deposit. There are a number of rent guarantee schemes or bond schemes for deposits which operate well and one of the key things that would help released prisoners to be housed more readily in the private sector would be an extension of those schemes.

**Mr O'Shea:** I want to come back quickly to the 13 week rule. I was one of the co-writers of the national rehabilitation strategy that Paul alluded to at the Home Office and one of the big problems we have is that when you go into prison for more than 13 weeks you lose your Housing Benefit instantly, but it does not cover the notice period of four to six weeks that you would have on any tenancy and so you automatically end up with rental arrears which then bar you from housing. That was one of the things that we really tried very hard to change when we were negotiating that strategy and we were unable to do so.

**Mr Cavadino:** That is now changing and it will be possible in the future for Housing Benefit to cover the notice period.

**Q275 Christine Russell:** I want to move on to pick up something that you put in your report, Mr O'Shea, where you pointed out the fact that in the last two years local authorities have only rehoused about 250 ex-prisoners.

**Mr O'Shea:** It is under the amendment to the Homelessness Act, yes.

**Q276 Christine Russell:** Surely you accept that it is very difficult for a local housing authority or indeed a housing association to justify rehousing ex-prisoners ahead of people who have perhaps been on a waiting list for months or even years in many cases?

**Mr O'Shea:** Yes, I agree. In one borough there are people who have been on the waiting lists since 1969. I think that is then about whether you make something a priority and you stick with it or you do not. This amendment has been made and the hope was that it would make people a priority and it has not because intentionality and vulnerability are still being read very differently.

**Q277 Christine Russell:** Should there be a quota system for each housing provider?

**Mr O'Shea:** That is one way of prioritising. If you are going to make somebody a priority then the resources have to be there to make it happen. Invariably the local authorities are sitting there saying, "I don't agree with that and I'm not going to do it." It is very much about saying I have got ten houses and I have got 50 people, what are we going to do?

**Mr Cavadino:** It is our very strong impression that the readiness to classify a release prisoner as vulnerable and the readiness to classify them as being "intentionally" homeless because they committed an offence vary according to the amount of housing stock that local authorities have available. The threshold for that goes up and down almost in proportion to the amount of available housing stock and that is understandable. In Wales where the definition is much tighter, ie if you are released from an institution you are one of the priority categories without having to pass an additional threshold of vulnerability, the position is much clearer cut. I would ideally like to see that extended to England. If that does not happen then we need a tighter definition of vulnerability because it varies so much and that would, among other things, involve looking clearly at the sorts of categories that would increase your likelihood of being classified as vulnerable anyway, such as mental illness, but it would also mean looking at the need for help with addictions. People who are released without support from family and friends could reasonably be regarded as more vulnerable than those who have that kind of support. Some tighter definition in the guidance at least would help.

**Q278 Christine Russell:** You would obviously support elements of the support actually starting long before release to help the person perhaps have a greater chance of retaining dependency?

**Major Harris:** We recognise the tensions of local authorities in having to prioritise the priorities because of scarce resources and that goes right the way through the whole sector.

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**Q279 Chris Mole:** How could it ever be that people with mental health problems or learning disabilities are not regarded as vulnerable when making homelessness applications, or is it the same sort of situation as you were just describing, ie the thresholds go up and down with the availability of housing?

**Major Harris:** Yes, I think that is exactly it. People with mental health issues affecting their lives are seen in different ways. Some of those are identified medically or in different ways, but what it does is it affects their ability to live independently, successfully, to sustain tenancies and to sustain independent living. It is the services that need to back people whatever their needs, particularly those with mental health issues and multiple issues, that needs to be in place to be able to help that long-term independence be achieved.

**Mr O'Shea:** You must be able to demonstrate that you have a severe enough mental health problem in order to be considered vulnerable which means getting an up-to-date current diagnosis. Someone made the point about people who are vulnerable losing their identification and losing everything. If that was the least of their problems then that would be fine. It is very difficult to get, for example, a diagnosis from a prison or even evidence of what medication you have been on and yet the burden of proof is on you. If you cannot go to the housing office with all that information and so on they will not house you.

**Q280 Chris Mole:** So mental health services are often regarded as "Cinderella" services. How might they develop to support homeless people better?

**Major Harris:** In Cardiff some years ago a community psychiatric nurse was allocated to the homeless of the city and she was not only working with psychiatric issues but also accessing a whole range of medical and housing issues and this person almost became the co-ordinator as the first point of contact with people who were exhibiting mental health issues.

**Q281 Chris Mole:** So that was a mental health trust that was being forward looking and experimental?

**Major Harris:** Yes.

**Mr Parrington:** In some of the 50 residential centres which cover the 3,000 lettings we have medical centres where we are bringing in the health professionals as opposed to expecting homeless people to try and access those particular services elsewhere and that is working quite successfully, for example, in Birmingham and in Bristol as well.

**Major Harris:** And Bradford.

**Q282 Chris Mole:** There is a lot of development needed around legislation to tackle anti-social behaviour. Is there a concern that people with mental health problems or learning disabilities might have their behaviour interpreted as anti-social and that leading to them having problems with housing?

**Mr O'Shea:** Completely. Anti-Social Behaviour Orders are one of the biggest things that are hitting our client group in particular. I can see they have their place and they have been shown to be very effective. We have a person who is coming out of Woodhill Prison who was unable to go into the city centre of High Wickham under his ASBO and that is where the housing office is. What do you do? Do you smuggle him in or what? A second example is of someone who was leaving Holloway Prison and she was on an ASBO which banned her from being in that area and so as soon as she left the prison she was carted back for breaking her ASBO. It is a problem in terms of people being able to access those services they need. They are marginal examples but they are still examples.

**Mr Parrington:** There are examples from other housing associations I am aware of, for example in Haringey, where there is a strong support package to enable that person to have a successful tenancy which did not exist prior to supporting people. There are limited examples around the country where that support package can enable the situation to work for both parties, the existing residents and incoming residents.

**Q283 Mr Betts:** Do you think local authorities are only using the intentionality rules to sort out a rationing system, they are desperate for accommodation, they have got too many people coming in for it and they find this is stopping some people from being entitled to the homeless legislation?

**Mr Cavadino:** Certainly in relation to offending that is the case. There are some authorities that will say that somebody is "intentionally" homeless because they committed an offence. Because they intentionally committed the offence they are assumed to have intended the consequences which may involve going to prison and thereby losing accommodation. That seems a tenuous definition. Intentionality is several stages removed from the original intention to commit an offence. More importantly, it means that if we are going to prevent reoffending, which is much more difficult if somebody is homeless, it is self-defeating. I would like to see the legislation clarified to try to dissuade local authorities from regarding someone as "intentionally" homeless simply because they have committed an offence in order that they would look at all the circumstances of the case and decide whether the person is vulnerable and ought to be housed under the priority categories.

**Major Harris:** We are very concerned about the term "intentionally" homeless when placed upon people who are living very chaotic lives and who have these multiple issues. We are using a measurement that really does not apply successfully to those people and we need to widen that as far as possible.

**Q284 Mr Betts:** Let us take it the other way round because the local authorities have a problem as well as some of these individuals having problems. As MPs we all get cases of elderly people in flats coming to us and saying, "Our lives are being ruined. We

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have had a young person move in, their mates are staying with them, we are getting noise all night, the banging of doors, there is clearly drug taking going on, drinking and beer cans being thrown around, windows have been put through, you name it, urinating on the stairs. We have had enough." Ultimately the pressure comes on and that person is probably evicted. What does the local authority do when they present themselves as homeless, do they say there is no intentionality in that?

**Mr O'Shea:** The test of the law is always on the margins. That is quite a different story from somebody who is just coming out of prison and trying to make a fresh start, that is about somebody who is committing quite serious anti-social behaviour. Our clients would probably commit some of that behaviour and they can be nightmares to live with which is why the schemes are set up, but with a little support our Link Worker is able to go in there and try and resolve the issues that are going on. You cannot always do that and there will be prices to pay for that, but the alternative is that if you do not do anything at all, you just leave it and then you evict them, where do those people go? They are going to end up somewhere. This is the Revolving Doors syndrome. It starts with a tenancy break down, it then leads to the problems worsening, you are then into homelessness and then you are into prison and before you know it you are in and out, in and out, in and out. I would not want to live next door to somebody who was doing that either, but there is a lot more you can do than evicting people and saying that is enough.

**Mr Parrington:** I believe the key to all of this is in supporting people and we hear a lot about cuts in supporting people and the Gershon Review and the efficiency savings that that pressure has placed upon people. Unless there is a support mechanism put in place you will see a lot more of these failures. Whilst I do not want to divert this Committee to talk about supporting people, it is a key part of our process. Unless that funding mechanism is available then we will see instances as has just been described.

**Q285 Mr Betts:** Is really what you are saying that these young people are being put in accommodation and they have not been supported and that actually being transferred to a similar accommodation is not going to work?

**Mr Parrington:** There is evidence that sometimes people are placed without support. One of the key things from the RSL sector (and there was research undertaken by the Housing Corporation in 2003) is that one of the barriers to successful nomination is ineffective support packages and that was a piece of independent research and unfortunately it gives RSLs a degree of bad press in the sense that they are seen to be rejecting people, but the key factor is that those individuals do not have the correct support package and so they are almost set up to fail.

**Mr Cavadino:** We have used the supporting people funding framework to increase the number of 'floating' support projects that we run providing support for people in accommodation provided by local authorities or by other housing associations

and there are some very effective schemes. The ODPM announced last week the allocations to local authorities under supporting people which on average are being cut by 5%. We are obviously concerned that that should not lead to a disproportionate reduction in housing or floating support opportunities for the particularly vulnerable and that includes the most difficult and disruptive people who need it most. In fact the ODPM has expressed the concern that that should not happen. What is important is that it should be monitored closely to ensure that it does not happen.

**Q286 Christine Russell:** How much do you believe that the current problems with homelessness are attributable to a lack of affordable housing?

**Mr Parrington:** I would say that the contributions currently being made by RSLs in terms of housing are in the region of 40% of all of our lettings and the access point to that in 80% of the cases is via the local authority. There has been an effort over the years for RSLs to make a contribution to homelessness. I think it is well documented with such papers as the Barker Review and other papers produced by the National Housing Federation and the Institute of Housing that there is this supply and demand issue. I think it does vary in different parts of the country. For example, in our experience in St Helens homelessness is there for different reasons, it is because there are areas of potential low demand.

**Q287 Christine Russell:** Do you want to elaborate a little bit on your experiences, because you are spread across the whole country, as to how the problem is different in different parts of the country?

**Major Harris:** The problems are different. For instance, in the cities and in the south particularly we have a lack of affordable housing which means that, as was said in the previous session, the residential centres are clogged up and there is not the flow through. In certain parts of the north-east which I am aware of and in Hull and Darlington we have a situation where there is a lot of affordable housing but it is not necessarily in areas that are acceptable and this actually causes a problem when people are hurried through the hostel system and encouraged to leave it before their issues have been addressed. There are different types of tensions but at the end of the day it is about a balance of allowing people to come through. In a point of crisis it is very often about allowing them to work through those issues and move to independence supported at the right level. It is not a simple and straightforward answer.

**Q288 Christine Russell:** Those people who are hurried through, do they then become the nightmares to live with, as Mr O'Shea just called them a few moments ago? How do we then manage to build sustainable communities and not ghettoise people?

**Major Harris:** The extreme there is that they become the nightmares. The other extreme is that they just are not able to sustain a tenancy long enough to become a nightmare. We also have a situation in

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Hyde in Manchester where we have a non-residential project and the funding is provided by The Salvation Army and a number of other agencies, where we have provided volunteer support to communities and the volunteers live in the communities as well as people who are paid to be project leaders and we find ourselves working almost in a mediation role because it is about working together as a community and it is about bringing the community together to address issues so that you can avoid them becoming extreme difficulties.

**Mr Parrington:** I think one of the important things the Committee needs to be aware of is that the Approved Development Programme from the Housing Corporation, which has been approximately £1 billion a year over the last two to three years for supported housing projects, was running at about nine or 10% and it is now down to 3%. You have a situation where the throughput of schemes is not happening because the corporation are not able to provide the capital funding because there is no guarantee of supported people funding being available.

**Q289 Chairman:** What is the problem, is it that the Housing Corporation is not putting the money up or that the supporting people will not take up their responsibilities?

**Mr Parrington:** Supporting people is capped and, therefore, the corporation are not allowed. There is a Directive from the ODPM to put through more schemes than would potentially have an impact on the supporting people budget in the future. Until the issue is resolved in terms of supporting people and there is certainty—and there are lots of reviews going on at the moment about that particular form of funding—those schemes will not be produced and those schemes take two or three years to develop, so you are into a situation where there will be a demand from those within the sector for these types of schemes and they will not be produced.

**Mr Cavadino:** The issue of affordable housing has to be a part of the solution in those areas where the housing shortage is worst and that clearly includes London and the South-East, but it also includes a number of other areas around the country. The average length of stay of tenants in our accommodation in London is over twice as long as it is in other parts of the country and that is simply because of the difficulty of finding move on accommodation. It also impacts on local authorities and other housing providers' willingness to take people with a history of rent arrears, which is often one of the biggest obstacles to rehousing vulnerable people. They have often got a history of rent arrears. In London if somebody owes between £1,000 and £1,500 in rent arrears and for 12 months they have been repaying it on an agreed negotiated repayment plan we still cannot get them into housing and it is simply because of the shortage of accommodation, even though by that stage they have demonstrated their readiness to repay the arrears as well as pay the new rent.

**Q290 Mr O'Brien:** I want to press you a little bit further on hostels. Do you believe in them?

**Major Harris:** They have their place to play. To take somebody from the street with a chaotic lifestyle, with multiple issues and place them straight into supported independence or independence without support is not the best way of doing this. What we need is a flow through where people can have the right support for the right period of time, leading on to the right support and independence. The hostels have a part to play.

**Q291 Mr O'Brien:** Are you satisfied with the standards?

**Major Harris:** We are working towards not just meeting the standards but exceeding the standards. One of the issues there is that the type of accommodation that people can expect to move into is of a lesser standard. It is about the standards right across the whole sector.

**Q292 Mr O'Brien:** If a person is staying for one night, should they not have an adequate standard?

**Major Harris:** Absolutely.

**Q293 Mr O'Brien:** I will put it to you again, are the standards adequate?

**Major Harris:** In The Salvation Army centres that we have, yes, I would suggest they are.

**Mr Parrington:** The reason why is because we are a registered social landlord and we have been relatively active for the last 25 years, so a lot of our stock has only been produced over the last 25 years and there has been a programme of refurbishment and so within our sector the standards are quite high.

**Q294 Chairman:** But there are quite a lot of hostels with very poor standards.

**Mr Parrington:** Yes.

**Q295 Mr O'Brien:** If we are going to have hostels and we are finding now that people are staying in hostels longer than what was planned, what can we do about it where the standards are sub-standard in many instances?

**Major Harris:** I think Mr Parrington has said that the relationship between The Salvation Army and The Salvation Army Housing Association has allowed standards to be raised.

**Mr Parrington:** If you are talking about nationally and you are referring to the potential for some form of licensing or some form of standard, you have the Decent Home Standard in the RSL sector. My argument would be that within the RSL sector we should not find hostels that are sub-standard because there is an obligation on RSLs to maintain them and there is a regulatory code which insists on that.

**Q296 Mr O'Brien:** Are hostels adequate to accommodate all kinds of homeless people, families, young people or people who are heavily dependant on alcohol or drugs? Does one hostel accommodate all those people?

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**Major Harris:** It does not work well. Very often you find people with alcohol issues not really working well within the centre because of mixing with people with similar issues. What we have to do as hostel managers is to try and look at individual needs and work those through the best we can. I think for families it is a very short-term solution, but very often the options to hostel accommodation are very inadequate.

**Q297 Mr O'Brien:** I find very often a person who is homeless and who may be in a hostel is told by the local authority they will be given one reasonable offer and after that then there is no other option. Does that happen in your case and does that mean that the person stays longer in a hostel?

**Major Harris:** More and more we are finding that the local authorities, where they are able, are giving a number of options and it is not a good place for somebody to move into who has a history of drug and alcohol abuse that they want to address.

**Q298 Mr O'Brien:** Mr O'Shea, you nodded your head. Would you like to comment?

**Mr O'Shea:** With hostels it varies significantly around the country. In some areas the council is very willing to offer a range of options and in others it is a case of that is it. As with any idea, it is all in the implementation of it and we have found for our clients it tends to be the bigger hostels which are the more problematic because you do get this ghettoisation that was talked about before, which is people just being lumped together and that is particularly problematic where you have drug and alcohol abuse because people are going from the prison into a hostel where all the people they were in prison with are now going to give them drugs.

**Q299 Mr O'Brien:** Have you a view as to how large a hostel should be?

**Mr O'Shea:** I have a personal view which I would say should be under 30, but they can be run successfully over that number.

**Major Harris:** We could offer instances where the sort of service provision that could be offered is 40 plus and it can work.

**Q300 Chairman:** Who runs these sub-standard hostels?

**Mr O'Shea:** Are you asking me about this?

**Q301 Chairman:** You all nodded when we raised this question of sub-standard hostels. Is it a significant issue, the standard of hostel accommodation?

**Mr Cavadino:** It is a significant issue. In Nacro we run small hostels of a supportive kind which would not take in one property more than 20 people at the very maximum and usually considerably fewer than that. We have found in trying to house people in a range of other accommodation that there is strong and understandable resistance to going to some types of hostel where people feel, possibly rightly, that they will be among people who are trying to deal in drugs and trying to intimidate them.

**Q302 Chairman:** Who is running these hostels which do not meet adequate standards?

**Mr Cavadino:** In some cases we are talking about private sector operations. As Ian said earlier on, there are standards within the registered social landlord sector, there is regulation by the Housing Corporation, there are inspections by the Audit Commission and so on. Standards do vary, but there is an enforcement process there which is increasing standards and insisting on standards all the time.

**Q303 Mr O'Brien:** Are they inspected by the Audit Commission?

**Mr Cavadino:** Housing associations, yes, but I was referring to private sector properties.

**Mr Parrington:** The Audit Commission undertake an inspection from the customer services perspective of an association every three years and they are contracted to do that by the Housing Corporation. The Corporation also undertake an annual Housing Corporation assessment in terms of physical standards, customer services, financial viability and governance of every housing association.

**Q304 Chairman:** This is the public housing sector in a sense as opposed to the private sector?

**Mr Parrington:** Yes.

**Q305 Mr Betts:** Priority needs categories, are they right or should they be changed? The Salvation Army suggested that everybody who is homeless ought to be given their statutory right to be rehoused. There are other arguments about ex-offenders who have got mental illness problems having an automatic right to be rehoused. What are your views on this?

**Major Harris:** I guess those representing any group of people would wish them to be prioritised. You have said, quite rightly, that individuals need to be recognised with their own needs. Recognising the scarce resources is the real issue for local authorities and one that we need to work with registered social landlords on, with the private sector and again I would say partnerships is a way of working through this. Not everybody can be prioritised because when you do that you then have to prioritise the priorities and we have got to find a way of doing that successfully in every area.

**Q306 Mr Betts:** Why do you want to return to the statutory obligation to house everyone who is homeless then because that is clearly not practical? It means the most vulnerable are going to lose out because everyone is going to have the same rights.

**Major Harris:** I do not think that we have addressed the interpretation of vulnerability sufficiently well because we tend to like to put people in boxes, so we say that ex-offenders are vulnerable, single parents and the single homeless are vulnerable depending upon our perspective. There needs to be real work and investigation done about how we can meet the needs of the individuals who present and whilst looking at their situations and looking at their individual needs we need to see if there is a way of accessing appropriate services for those people.

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**Q307 Mr Betts:** One group we have not mentioned is the elderly. Is that an increasing problem? Do you get involved in that at all?

**Major Harris:** We have 18 residential homes for the elderly. We are finding it increasingly difficult to fund those. We are finding that we are spending £2.5 million to supplement the income that comes from either the local authorities, social services or the individual. It will become more of a problem as more and more people grow older and are unable to sustain their independence.

**Q308 Mr Betts:** There are people who are not a priority need but who have still got rights to advice and information. Is it your experience that local authorities are genuinely performing that role properly?

**Mr O'Shea:** I would say again it is highly variable. When we did the national rehabilitation strategy we went to a lot of prisons to see what they were doing in terms of getting housing advice in there and there were some excellent examples and there were some very poor examples where the local authorities ignored what was going on.

**Q309 Mr Betts:** Give us examples.

**Mr O'Shea:** Portsmouth is an excellent example, there is lots going on in Holloway and Durham has won an award for its good work.

**Q310 Mr Betts:** And the other side of it?

**Mr O'Shea:** There are 47 prisons which have housing advice which is good and there are 138 prisons altogether. Nacro do some very good work with their resettlement programme.

**Q311 Mr Betts:** In two-thirds of them the local authorities are failing, are they?

**Mr O'Shea:** There is just no housing advice.

**Q312 Mr Betts:** Is that a failure of the prison authorities or the local authorities?

**Mr O'Shea:** That is a tricky question. In my opinion it is the local authorities because at the end of the day they are the ones who can provide the housing when they are released.

**Q313 Mr Betts:** Even the advice?

**Mr O'Shea:** Yes.

**Q314 Mr Betts:** So the local authorities are failing to provide advice in prison?

**Mr O'Shea:** Yes.

**Major Harris:** Success comes through partnerships. Portsmouth has a very good record of using a wide range of different voluntary public bodies to offer these sorts of advice services and it works.

**Q315 Chris Mole:** If a prison has got a lot of people from out of their area, why would the local authority want to encourage them to come and settle in their area?

**Mr O'Shea:** That is one of the big issues about prisoners, this issue of denial. I have heard of local authorities who say they do not have any prisoners

returning to their area and if there is no prison in their area then it is not their problem. If you look at the offending rates across the country, it is fairly standard. You might be picking up somebody else's ex-prisoners today and somebody else will be picking up yours tomorrow and it is about cross-coordination. It is people not being willing to work with others and to take on different things that is the problem. It is reflected in a PCT where you are trying to get a doctor if you are from out of the area as well. There is a need for cross-boundary working. Boroughs that do not have a prison in their area should be trying to do something too.

**Q316 Chris Mole:** There is evidence that people from black and minority ethnic communities are likely to experience homelessness across the board. Is this something you find represented in your client groups, and how would you describe the specific needs that they might have?

**Mr Parrington:** In certain centres we do find that. In Great Peter Street we have a centre where up to 70% of the residents are from BME groups. In terms of other areas, in Swindon there is a high concentration of the Somalian population and in that centre we are up to approximately 40% Somalians and as a result of that we have employed two Somalian speaking project workers, we have separate menu arrangements and separate rooms for meetings for the Somalians. We can be flexible in terms of some of the services that we supply, especially in terms of bringing in other agencies as well to assist us. They are the two main examples I would give you.

**Mr Cavadino:** We are dealing with offenders and black and minority ethnic people are disproportionately represented in the prison population. About 24% of the male prison population and 31% of the female prison population are black and minority ethnic people. About 27% of our tenants are black and minority ethnic people. One of the issues that I think needs to be addressed by non-statutory agencies as well as statutory agencies is the need to monitor every aspect of what they do, including both service delivery issues and staffing issues and to set targets to ensure that they are promoting race equality. The requirement under the Race Relations (Amendment) Act on public bodies to develop a race equality scheme listing all their functions and what they are going to do to ensure race equality is promoted and monitored does not apply to non-statutory agencies. For example, it does not apply to registered charities. We have adopted a race equality scheme as a matter of good practice, but when we tried to get ideas from other charities through the National Council for Voluntary Organisations we found that very few other charities have done so. I think particularly where public money is being given to organisations that are providing housing it is important that the standards of the provider organisations should be monitored in relation to what they are doing to ensure race equality in all their operations. Like many statutory organisations, we have targets for the proportion of black and minority ethnic staff and managers that we house over a period of time, we

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have targets for the proportion of black and minority ethnic tenants that we have over a period of time, we do satisfaction surveys for tenants and we monitor those by ethnic group to ensure that the satisfaction of black and minority ethnic tenants is not significantly lower than it is for white tenants. We look at outcomes. We look, for example, at the proportion of people from different racial groups who are moved on successfully. That should be standard on the part of anybody who is providing

accommodation and certainly with public money and yet it is not a requirement in the same way as the Race Relations (Amendment) Act is a requirement on public bodies.

**Mr Parrington:** That is exactly the same as within the RSL sector with one additional target, which is that we also measure the quality of accommodation to ensure that the quality is not directed at one particular category as well.

**Chairman:** Thank you very much for your evidence.

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## Tuesday 14 December 2004

Members present:

Andrew Bennett, in the Chair

Mr Clive Betts  
Mr John Cummings  
Chris Mole

Mr Bill O'Brien  
Christine Russell  
Mr Adrian Sanders

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*Witnesses:* **Paul Goggins**, a Member of the House, Parliamentary Under-Secretary of State for Correctional Services and Reducing Re-offending, Home Office; and **Mr Ivor Caplin**, a Member of the House, Minister for Veterans, Ministry of Defence, examined.

**Q317 Chairman:** Can I welcome you to the final session of this Committee's inquiry into homelessness and ask the two of you to identify yourselves for the record.

**Mr Caplin:** Good morning. Ivor Caplin, the Minister for Veterans. I have got some very brief opening remarks and then Paul will say a few words as well.

**Paul Goggins:** Paul Goggins, Home Office Minister responsible for prisons, probation and youth justice.

**Q318 Chairman:** You would like to say a few introductory words?

**Mr Caplin:** Just an introduction to the role of the Minister for Veterans because it is a unique role within government in terms of its cross-government approach to all matters relating to veterans' affairs. That obviously includes what we do with veterans when they leave service, which I think is the main issue that we are going to discuss this morning. In those circumstances I chair two important committees, the Task Force which is a group of ministers meeting regularly to discuss veterans' affairs, and also a regular forum with veterans' organisations where one of the issues that we discuss regularly is the transition from military service to civilian life. I will leave it at that as an introduction.

**Paul Goggins:** I would only emphasise, Chairman, the centrality of dealing with housing issues in terms of the re-settlement of offenders. This is something that is recognised now, particularly by the Prison Service but also by the Probation Service, and as part of any prisoner's induction into a prison there is a housing needs assessment carried out and prison staff attempt to follow that through to discharge and beyond, so we regard this issue as central to re-settlement.

**Chairman:** Thank you very much. Christine Russell?

**Q319 Christine Russell:** Thank you, gentlemen, for those opening comments. Could I ask you to be perhaps a little bit more precise about how the MoD and the Prison Service attempt to identify in advance before release back into the outside world those ex-servicemen and those ex-prisoners who may encounter difficulties with finding a roof over their heads?

**Mr Caplin:** From the Ministry of Defence's point of view, it is true to say that over the past 20 years this has not been a strong point for the department. I think what we have tried to do in the last three or

four years is to be particularly focused on what we do in relation to the transition from military to civilian life. That relates to a number of specific areas that we have been looking at. In London where there is a problem we are working with the Ex-Service Action Group. In fact there is a leaflet which is in the public domain and if the Committee have not got a copy of it I will ensure that you do receive a copy of it. It has been out for about 12 months now so there is a real focus on working with other sectors, including the voluntary sector, to make sure that we deal with these issues as we go. From April this year we also changed the whole nature of transition. One of the weaknesses that was identified some time ago was that if you had not served for three years you did not have a transition interview. We have changed that now so everyone leaving the service gets a transition interview. That started in April 2004. So while there have undoubtedly been problems in the past what I would say is that we are looking to the future and we have a set of programmes that we think will dramatically reduce the level of homelessness that veterans have experienced in the past.

**Paul Goggins:** Last year the Prison Service discharged 85,300 people back into the community. 71% of those individuals had an accommodation to move to as they were released. Clearly that leaves a substantial minority who did not have anywhere to go to and the Prison Service has set a target this year of increasing by 7% the numbers who have an accommodation to move to on release. Of course, dealing with this issue starts right at the beginning of the prison sentence as part of the induction process. There is now a common assessment tool that is used right across the 70 prisons that have housing advice and support within the services they offer, so that right from the beginning a person's housing need can be established and then through the forward planning that takes place while somebody is in prison we can try to deal with housing need on release. Obviously liaison and communication with housing providers—local authorities and also other social housing providers as well—is absolutely critical.

**Q320 Chairman:** You say 70 prisons have got these services. How many prisons have not got this service yet?

**Paul Goggins:** There are 137 prisons and I will leave the maths to you—67.

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**Q321 Chairman:** So it is actually only about half that have got this service in place?

**Paul Goggins:** All prisons would offer housing advice. I am talking about a specific housing advice service which is fully staffed and so on. The most important thing to emphasise here is that every local prison—and these are the prisons mainly in our big cities where many prisoners come and go with great rapidity—has a well-developed housing advice service now. Indeed I would give the example of Birmingham where local authority housing advisers come into the prison and work closely with prison staff to make sure people get the right kind of advice. Let me just give you a very practical example about how this early advice can make a difference. Of course anybody coming into prison for a short period of time of up to six months can make a fresh claim for housing benefit which can carry them through a 13-week period, which means that anybody sentenced to six months or less can hold on to their tenancy through the period of that sort of imprisonment, which obviously means that they can move back to that address on release. Even if their sentence is for more than six months, with proper advice they can close the tenancy down, they do not build up debt whilst they are in prison, and those who advise them in the Prison Service can try to help liaise with housing providers to provide some accommodation on release. So good advice at an early stage can make all the difference in terms of the long-term outcome.

**Q322 Christine Russell:** Can I give you a practical example of where the system does not seem to be working. Last Friday I was talking to a group of people who were involved with a supported union hostel in Chester who made the point to me that a number of their residents are female ex-prisoners and although the hostel place is found there is very little help given to helping those women meet the challenges that they have with drug abuse and alcohol abuse. Very often by the time the woman arrives at the front door of the hostel she has already had a few fixes of heroin on the way back from the prison. So my question really is do you just view the need for housing in isolation or before the prisoner leaves do you actually have a holistic look at the other challenges the prisoner is going encounter when they leave the prison doors?

**Paul Goggins:** We do indeed try to take a holistic look. In July I published the National Reducing Reoffending Action Plan which brings all government departments together which have got an interest in the re-settlement of offenders. That includes the Office of the Deputy Prime Minister, the Department of Health as well as the Home Office, the Department of Work and Pensions, and others too. So we see the connection between a prisoner being released into the community and his need for housing, for a job, for effective drug treatment if that is what is needed, for personal support of different kinds, for supervision back in the community if they are out on licence. All these things fit together; they cannot be seen in isolation. Although I have to say at the moment with the economy booming as it is and

with high levels of employment, there has never been a better time to try to reconnect ex-prisoners back into the labour market. Of course that is not possible unless they have got somewhere to live. So I believe that housing need and trying to combat homelessness is probably the absolute central key to effective resettlement at the moment and in the regional Reducing Reoffending Action Plans which have to be produced by the end of March next year I believe that identifying and dealing with housing need will be an absolutely central feature.

**Q323 Chris Mole:** Mr Goggins, your commitment is welcome but in terms of the performance to date one of the agencies has quoted to us the Home Office survey which said that a third of those entering prison are without permanent accommodation. That is about the same proportion coming out the other end. Does that imply that the Prison Service is neither hindering nor helping with accommodation?

**Paul Goggins:** It is a matter of speculation as to whether the same third are homeless coming out as going in, although, as I say, 71% have an accommodation to move to and we intend to increase that to more than three-quarters in the course of the current year. I think what your figure exemplifies is that many people coming into prison lead chaotic lives, which include offending, which include drug misuse, and a whole range of other factors. Obviously the job of the Prison Service, apart from public protection, is to ensure that people are rehabilitated wherever that is possible. We recognise that dealing with housing need is a vital part of that. There are now a number of prisons running some excellent projects. If I can give you the example of Doncaster Prison which runs a project called the Bridge Project and a feature of that is a rental bond scheme for people who might be able to access private accommodation but do not have the up-front rent in order to be able to achieve that tenancy, so there is a £400 rental bond paid as part of this project which is repayable after six months, again providing a very practical bridge from prison into accommodation. We rely very much on the imagination and the commitment of the voluntary sector working with the Prison Service to try and overcome these problems, but I do not deny it is a substantial challenge.

**Q324 Chris Mole:** You touched on a number of the other factors that prisoners may have in their backgrounds. Do you have any idea what proportion of the third who leave prison to no home have mental health problems? We know that they are disproportionately represented in the prison population. What provisions are there specifically for prisoners with mental health problems?

**Paul Goggins:** If I could re-emphasise, the figure is 71%, it is not a third of people who are leaving who have accommodation to move to, and we are going to increase that further this year hopefully to beyond three-quarters having accommodation to move to. Mental health issues face a large number of prisoners. If I can confirm to the Committee we estimate that about 5,000 people in our prisons

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today, that is of the 75,000 prisoners as a whole, have substantial mental health problems and clearly where they are released back into the community those issues need to be dealt with and identified and appropriate mental health support and treatment is a key part of—

**Q325 Chairman:** The question is how many of the people going back into the community with mental health problems have not got anywhere to go and live?

**Paul Goggins:** I could not give you a specific number, Chairman. I will go away and see if that number exists or if I can give at least an indication of the kind of proportions that we might be talking about. If I say 5,000 of the 75,000 who are in prison today have serious mental health problems, then I think you can get some kind of estimate of the ratio between those who have those problems and those who have not.

**Q326 Chairman:** You have been putting emphasis on the way in which you are giving advice and it would be interesting to know whether that advice is better accepted by people who have mental health problems or less well accepted by people like that?

**Paul Goggins:** I think it is clear to me that those with substantial mental health problems will be harder to help. Whether we have a specific figure which we can give to the Committee, I will go away and find out.

**Q327 Chris Mole:** Are there any regional variations in the success? You quoted some good practice from Doncaster.

**Paul Goggins:** Clearly there are some regional differences and that is why the Reducing Reoffending Action Plans that we launched in the summer which has to be developed for each region by March of next year will each look different and will reflect the local circumstances of each particular region. We think it is very important that local authorities are encouraged to work together within these regional frameworks, not least for the following reason: where offenders are discharged into the community sometimes they are restricted in terms of where they can live because of the victim issues related to their previous offending. Maybe they are prohibited from moving back to the area where they previously lived because they would be too close to the victims of their crime. Those people will still need to be accommodated and it is very important that local authorities are prepared to work together to do that.

**Q328 Mr Sanders:** What studies have been undertaken to show that if there is a regional variation it is a reflection of the housing advice or a reflection of the local housing market conditions?

**Paul Goggins:** I do not believe we have research as sophisticated as that in the Home Office.

**Q329 Mr Sanders:** Should you not do that in order to justify the expense of specialist housing advice available to offenders, something that law-abiding citizens who have difficulty in the housing market would question?

**Paul Goggins:** Everybody of course should have access to free housing advice and that includes ex-prisoners too.

**Q330 Mr Sanders:** I am not saying they should be excluded but from what you were saying they have specialist housing advice within the Prison Service which is not available to people outside. They are not therefore having to compete with everybody else for the low levels of housing advice that might be available outside and if you were to justify that expense you need to show that that housing advice is having an impact beyond the local housing market conditions.

**Paul Goggins:** I agree absolutely and as we move into the medium and long term we will certainly need to be able to demonstrate effective outcomes for the investment that is going in. £3 million in the Custody to Work programme is spent on providing housing advice. We will have to show in the medium to long term that that actually produces higher numbers of ex-prisoners moving into accommodation and sustaining that accommodation but also of course reducing the rate of offending because that is the purpose of this investment. Yes, we want to live in a decent society where everybody has a home to live in but our objective here is about reducing crime and making our communities safer.

**Q331 Mr Betts:** The figures are that if people who leave prison have settled housing arrangements then they are at least a fifth less likely to reoffend. You mentioned previously that half the prisons have got this very comprehensive housing advice provision and the other half have not. Is it the intention of the department to achieve a situation within the foreseeable future (perhaps a date could be considered) when all prisons will have that service? Is there anything more you would like to see done by the Prison Service to try and deal with the issue of housing and getting more prisoners settled when they leave?

**Paul Goggins:** Yes, we certainly intend to further develop the advice although of course some prisons have less of a need for this kind of advice because they are dealing largely with very long-term prisoners who are going to be in prison for a very long time so they perhaps do not need on a day-to-day basis the quantity of housing advice that a large local prison will require. So as we roll it out, we will be doing so in a sensible way. We do not want to put resources in where they are not required but every prisoner in preparing for discharge will need a plan for their accommodation. As we move to the National Offender Management Service and the new provisions where every single offender in the system will have their own offender manager who is responsible for the sentencing plan, then clearly they will carry a huge responsibility to make sure that each offender, wherever they are in the system, gets the support that they need. I do not know whether we are allowed visual aids in the course of these deliberations but if I can draw the attention of this Committee to this document published in September of this year, this is a very practical document now

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available right across the Prison Service with an assessment tool, with practical advice, with demonstration projects from different prisons, and we certainly want to see this good practice rolled out right across the Prison Service.

**Q332 Mr Betts:** Is there a target date for achieving that?

**Paul Goggins:** There is no target date for providing housing advice in every prison the like of which is available in the 70, but I am sure that this is something that we will pay some attention to.

**Q333 Mr Betts:** The wording of the Housing Act 2002 did allow somebody who was considered vulnerable on leaving prison, which a lot of prisoners (particularly younger ones) are, to be considered as in priority need for housing support. Apparently, however, since the Act came into force only 250 people leaving prison have obtained housing as a priority. And is there a problem there? Is the problem with the Prison Service or local authorities not fulfilling the requirements in that regard?

**Paul Goggins:** Certainly we welcome the new Order because it does strengthen the legislation but it does not solve all the problems, that is for sure. Some local authorities regard the fact that somebody has committed an offence and been put into prison as them making themselves intentionally homeless. Not every local authority interprets it in that way but some local authorities do.

**Q334 Chairman:** Which is the right way to interpret it?

**Paul Goggins:** My view would be that they should not be regarded as intentionally homeless because they have been to prison and I would encourage local authorities to be more open-minded than that. When people are sent to prison they are punished for the wrong that they have done but in the end we have to rehabilitate them back into the community in order that they do not offend again. Absolutely central to that is the need for somewhere to live. There is also the issue of vulnerability and how that is measured, particularly in relation to the length of time spent in prison. Again this is open to interpretation. Our estimate is that probably in the course of the year there are about 1,000 people who could qualify under this new Order. Clearly not everybody who might qualify is being provided with the housing that they need.

**Q335 Mr Betts:** Do you think that some local authorities might be sensitive to concerns from the public that somebody who has offended gains out of it by perhaps jumping the housing queue and is getting something that somebody else who has not offended would otherwise be entitled to?

**Paul Goggins:** I am sure they are. Like you, at the weekend in my advice surgery I will be faced with people who have acute housing needs who are not offenders. I accept that there is still substantial need across society as a whole. All I would want to emphasise here is that in the end if we are going to cut

crime we have to reduce reoffending. If we are going to do that then people coming out of prison have got to have somewhere to live. While there is no simple solution to all this that has to be our objective and indeed I welcome the fact that increasingly local authorities recognise the need to be involved in these kinds of resettlement strategies because of self-interest—cutting crime makes our communities safer.

**Q336 Christine Russell:** Can I follow on, Mr Caplin and ask you the same question: why should ex-servicemen and women be considered to have a priority need over perhaps families who have languished for years on the housing waiting lists?

**Mr Caplin:** I certainly share the view that Paul has put to you this morning about the general position we would all face at our constituency surgeries. In terms of those in the armed forces I think we have two things that we need to make sure that we do. Firstly, while they are in the forces we need to treat them properly and to know their housing needs. One of the things that we are trying to do more and more is to understand the housing needs of our service personnel so this does not come as a surprise to the chain of command in the last year who are then faced with housing problems. We intend to encourage, where possible, those with families in particular to purchase their own properties in the private sector. Of course the ending of the arms plot is part of that strategy, to stop people having to move every two years and allow them to put down the roots that may assist in housing.

**Q337 Christine Russell:** How has selling off MoD property helped?

**Mr Caplin:** Annington Homes bought the MoD properties in 1996 and I am sure the Committee will be familiar with that date. I am not sure that I can be held responsible for that. We have a 25-year agreement with Annington Homes. There is nothing that the Ministry of Defence can do about it today. It was a decision taken by previous administrations. We have to look forward as to how we encourage those leaving the service to make sure they have proper housing provision. We are doing that with a series of initiatives within the military system.

**Q338 Christine Russell:** What about further down the track? To what extent does the MoD's general welfare provision support ex-servicemen and women later, perhaps several years after they have left the services?

**Mr Caplin:** Of course the whole point of veterans affairs is to make sure that we look after the veterans and their families. We use "veterans" in the widest possible sense. It totals about 13 million people across the United Kingdom. We have just launched this leaflet which is about rights for former servicemen and women. David Lammy and I launched this three months ago with the Community Legal Service. It is designed to be a simple way of explaining to veterans their legal rights in these areas. The other thing that we are doing working with the ODPM is we have commissioned King's

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College in London to carry out a major piece of research into methodology so we can get a real understanding of homelessness and its causes within the veterans community because there are a lot of statistics—

**Q339 Christine Russell:** What stage is that at?

**Mr Caplin:** That is still in the early stages but we hope.

**Q340 Chairman:** Come on, what is the early stages? Have you let the contract?

**Mr Caplin:** Yes, to King's College, I just said, Chairman. King's College London are doing the work for us.

**Q341 Chairman:** So when do you expect to have the results from that?

**Mr Caplin:** During the early part of next year.

**Q342 Christine Russell:** Are there any early indications you can share with us?

**Mr Caplin:** Not today, no.

**Q343 Christine Russell:** On a question my colleague over there asked about ex-prisoners, do you find there are any regional variations as to the level of homelessness and the problems faced by ex military men and women?

**Mr Caplin:** Obviously we have large areas of the military population in certain parts of the country. It will be no surprise to the Committee to hear that—in Plymouth, in Portsmouth, in Aldershot, in Colchester, in Catterick, in Rosyth in Scotland—it is likely that some of the regional hot spots will be around those areas. I think (and we hope) that the research will look at this in detail. One of the things that we do foresee is that the problem is likely to be with smaller numbers of people in different areas, so, for instance, instead of the actual homelessness issue being around Catterick in Yorkshire it might well be in Manchester because people tend to drift back to maybe where they once lived. That is part of what I hope the research will develop for us and show us the real issues that we face in terms of homelessness.

**Q344 Mr Cummings:** The Committee came across the problems of the National Asylum Support Service's allocations in their report on social cohesion. Can you tell the Committee what has been done to plan NASS allocations so that housing authorities are not too over-burdened and communities become unbalanced?

**Paul Goggins:** I will take this one, Chairman, although I should point out of course that Des Browne my colleague Minister in the Home Office is principally responsible for asylum and immigration.

**Q345 Chairman:** Yes but there is limit to the number of Ministers we wanted to call today!

**Paul Goggins:** I just say that in case you want a little more detail in terms of the answers. Certainly as we are developing the National Refugee Integration Statutory, and indeed as we are seeking to renegotiate some of the contracts now that NASS

have with housing providers, we certainly see the reduction of homelessness and prevention of homelessness as being absolutely critical features here and it is certainly something that we intend to deliver as we move forward.

**Q346 Mr Cummings:** Are you giving clear guidance to NASS on developing relationships with local authorities and other service providers?

**Paul Goggins:** As I say, NASS are renegotiating contracts in 2005 with housing providers and certainly we are giving them very clear advice that we expect the prevention or the reduction of homelessness as being essential.

**Q347 Mr Cummings:** Are they taking that advice?

**Paul Goggins:** They certainly will take that advice. Let me give you a practical example where somebody has been dispersed into the system and is living at a particular address and they have their asylum application dealt with and they are given refugee status, it is important that they are able to continue to live in that accommodation beyond the positive decision. You do not want to move somebody out suddenly because they have had a positive decision because if you did that it could destabilise their—

**Q348 Chairman:** Can you guarantee that they are able to live there?

**Paul Goggins:** To my knowledge there are no particular guarantees but we certainly want to see them being able to stay there for a while until they move on to permanent accommodation. We certainly do not want to see disruption at the time of a positive decision and that is one of the features we will looking to develop as we look at the contracts that NASS has with housing providers.

**Q349 Mr Cummings:** Are you satisfied that NASS are dealing with this situation in the homeless sector quite seriously?

**Paul Goggins:** There have clearly been difficulties over the last few years in this area but we are seeking to deal with them and the renegotiation of contracts next year provides an opportunity to get this better, to get this more effective.

**Mr Cummings:** Do I detect some doubts at the efficiency of NASS in your remarks, Minister?

**Chairman:** We cannot get a smile on the record very easily!

**Q350 Mr Cummings:** If so, are you going to give them any firmer guidelines?

**Paul Goggins:** I am sure that my colleague will be giving them very clear guidelines indeed as they renegotiate their contracts. Yes, there have been difficulties and we do not hide that and, yes, we have got to make sure that the contracts that NASS have are as efficient as possible, but we have also got to ensure, if we are going to prevent homelessness and if we are going to create stable communities and populations—and I evidence that with the example I gave—that there is the opportunity to stay in accommodation beyond the positive decision. That

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is certainly very important—to make sure that we get an alignment between the level of need of individuals who are within the dispersal system and the surrounding communities. I think getting that right is going to be a very important feature of the NASS contracts as they are renegotiated.

**Q351 Mr Cummings:** How serious are the problems arising from the new EU accession states and the pressures that they are adding to the housing situation?

**Paul Goggins:** It is a very interesting question. If I can tell you that in terms of new lettings for those coming from the accession countries between May and September, the sum total of new lets was 14, and so I do not think we are being overwhelmed in terms of new accommodation requirements for people coming in. Of course if people's right to be here is conditional on them being self-sufficient then they do not have an automatic right to housing or housing support but where they are here legitimately and are working and making a contribution obviously they begin to accumulate rights.

**Q352 Mr Betts:** I am in discussion with Des Browne about one of the biggest problems in my constituency which is people who are failed asylum seekers who will not accept hard case support because they do not want to move to another area and who often end up sleeping sometimes 10 to a house in the homes of people who have got continued NASS support because they are claiming asylum or have been successful in that claim and that causes major problems of social disruption in communities. Is that an issue which the department has flagged up as a problem that it has got to deal with?

**Paul Goggins:** It is an issue and of course what it requires is a speedier system for making decisions and then a determination that people must be removed if they fail. The problem has been that too often the decision-making process has taken too long, people become well established and then after a negative decision is taken, there is an issue about how they and their families can be removed. We are certainly seeking to develop initiatives first of all to make the decisions quicker but also to remove people where they have failed their asylum application.

**Q353 Mr Betts:** Even to allow them to stay within that community until you remove them rather than hard case support and insisting they move to another area, which is a big problem?

**Paul Goggins:** It certainly needs to be done in a fair and humane way but it must be done and done in a determined way. We cannot allow delay to create further uncertainty in the lives of these individuals and the communities around them. We are certainly seeking to work with local authorities to try to deal with these issues. In the end where people have failed and they have no further legitimate right to be here or to claim support then they will be removed.

**Q354 Chairman:** Mr Caplin, you have talked about the people who are leaving the forces and you also talked about the people who have left and have continuing needs. What about the people who are actually in the forces? Young people at 18 or 19 if they go off to college suddenly find they have got to sort accommodation out for themselves and they grow up pretty quickly. Even if they stay at home and work there is a tendency for parents to try and ease them out as soon as reasonable and they learn then about the housing market. For a lot of people who are in the services, particularly people who stay in for a long time, they often have very little idea about what the housing market is and the realistic problems. Are you doing anything to try and make sure that people in the services actually know the realities of life outside?

**Mr Caplin:** We have something called the Joint Services Housing Advice Office and its role within the military chain of command is, as I was explaining earlier, instead of just dealing with people at the end of their military careers, at the end of 22 years which might be, say, at age 38 if they joined at 16, to deal with them on a more regular basis so that we understand their needs and their aspirations. It is true to say that particularly in the Army it is much more single today than it was in the past. About 60% of the British Army is single and that places different pressures on us in terms of single living accommodation and the need to make sure that we guide those people through those years in the Army properly and effectively so that when they become veterans they have the right advice and are able, if they want to, to have the advice they need to go into the proper housing market. We will continue that by way of encouragement both to single people and to families within the Army, as I was explaining earlier, because we do not have properties ourselves.

**Chairman:** On that note, can I thank you both very much for your evidence.

*Witnesses:* **Dr Stephen Ladyman**, a Member of the House, Parliamentary Under-Secretary of State for Health, Department of Health; and **Mr Chris Pond**, a Member of the House, Parliamentary Under-Secretary of State for Work, Department for Work and Pensions, examined.

**Q355 Chairman:** Can we welcome you to the Committee for the second session and can I ask you to identify yourselves for the record.

**Mr Pond:** My name is Chris Pond MP and I am Parliamentary Under-Secretary of State at the Department for Work and Pensions.

**Dr Ladyman:** I am Stephen Ladyman. I am the Parliamentary Under-Secretary at the Department of Health and Minister for the Community.

**Chairman:** Do either of you want to say anything by way of introduction or are you happy to go straight to questions? Straight to questions? Chris Mole?

**Q356 Chris Mole:** Good morning, gentlemen. The Homelessness Act 2002 was intended to improve inter-agency co-operation through the establishment of local authority homelessness strategies. The evidence that we have received shows there are still some big problems in this area. Do you have plans to improve this situation?

**Mr Pond:** I think it is fair to say, Mr Mole, that there is still room for further improvement. We know that homelessness is multi-dimensional and therefore it requires government departments to work together to make sure that we address the different aspects of homelessness. We are working very hard to make sure that happens. The DWP works very closely in particular with ODPM on these issues but also with other government departments. Given the scale of the problem, despite the very significant improvements which have already been made, there is no room for complacency and certainly from our point of view we would wish to make further progress in joint working.

**Dr Ladyman:** So far as we are concerned, of course we would expect housing strategies to take account of homelessness issues in respect to health. We would expect people to try and pull primary care trusts and we would expect primary care trusts to be willing partners in informing those strategies. The Department of Health and the Office of the Deputy Prime Minister have produced some guidance for the five outcomes that we expect local authorities and primary care trusts to aim for and those are: a general improvement in health, to reduce homelessness which is caused by ill-health, to reduce ill-health which is caused by homelessness, to work on health issues which might undermine people's ability to preserve their tenancies, and to reduce expenditure on health and housing. So that is basically what we are trying to do to encourage people to co-operate better.

**Q357 Chris Mole:** Mr Pond touched on the multi-faceted nature of some of the problems and homelessness levels are particularly high amongst those with alcohol, drug and mental health problems. Are you confident that their needs can always be met under the mainstream or is there a need for specialist services to be established?

**Mr Pond:** There clearly is a need for specialist services and that is why through Jobcentre Plus we have Progress to Work specifically targeted at drug

misusers which is available in all Jobcentre Plus districts. That is true of course for other forms of provision to help people into employment, which I notice from yesterday's press advertising Centre Point described as "essential to empower homeless people". In moving to our new approach of Building on the New Deal it is very much a tailored approach to meet the needs of individuals, so while mainstream services such as the New Deal itself are very important, we recognise that there are particular needs of drug and alcohol misusers, ex-offenders and other groups who are particularly vulnerable to homelessness.

**Dr Ladyman:** I would have to give you a mixed answer here I think. Certainly in some areas you have to go a lot further than mainstream services to deal with this problem and of course, as you are aware, primary care trusts are supposed to prioritise local issues, drug action teams are supposed to prioritise local issues, so in areas where they think there are particular problems I would expect them to enhance services rather than just relying on general services. That is possible now. With the new contract there is an option for enhanced national services to be made available in addition to the local services. I suppose a problem at the back of my mind where I think we perhaps need to do a bit more work in the future is those areas where homelessness is not an obvious problem and where perhaps people have not enhanced services because they do not perceive there is a particular problem there, so there is a relatively small number of homeless people but maybe because they are slightly hidden the services are not there to actively go out there and find them. Of course assertive outreach teams are supposed to do that work. Where it is a problem PALS also have a responsibility to go out and find people. I have this worry that in areas where homelessness is not a particular problem we may not be reaching all the homeless people.

**Q358 Chris Mole:** We have heard that a single homeless person is 40 times less likely to be registered with a GP than the general population. What is being done to ensure access to primary healthcare for these people?

**Dr Ladyman:** You are absolutely right, they will be a lot less likely to be registered with a GP. It is the responsibility of the primary care trust to make sure that anybody presenting themselves wanting to register with a GP is registered with a GP. There are opportunities, for example, if you do not have a permanent address, for temporary arrangements to be made for you to be supported by a GP and for your address to be registered at a GP practice even if you do not have any other address where you can register. As I said, PALS can liaise for you to help make sure you are registered. PALS have a duty to go out and help people and signpost services. Local authorities can help signpost services. The additional facility which is becoming available, and hopefully will help homeless people get access to

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services, is walk-in centres. As more and more walk-in centres are produced those walk-in centres have a duty to treat everybody irrespective of their background or their address. So we would hope that some homeless people will make use of those.

**Q359 Chris Mole:** Should they not have priority for flu jabs?

*Dr Ladyman:* I think that is a reasonable question—

**Chairman:** All our questions are reasonable!

**Q360 Chris Mole:** Not one you have an answer to?

*Dr Ladyman:* It is not one I have an answer to. I think you are right and I will take that away and look at it for you.

**Q361 Chris Mole:** Those with mental health problems seem to suffer disproportionately from the lack of joined-up services and on-going support when they are homeless. Do you accept that there are gaps in services for mentally ill people and is there anything that can be done to address this?

*Dr Ladyman:* I am sure there are gaps in services. The gaps in services are being plugged with assertive outreach teams. You will recollect that we set ourselves a target of having 220 assertive outreach teams in place by the end of last year. In fact, we got 230 by the end of last year and there are 250 now. So we are getting pretty good coverage across the country in terms of assertive outreach and it is those assertive outreach teams that should be getting out there, identifying people, and helping with those issues. There is another concern I have. It is fairly clear from the research we have that mental health problems very often precede people becoming homeless, so there is a question in my mind as to whether we are doing enough to act preventatively when people have mental health problems to see if we can support them and stop them becoming homeless in the first place.

**Q362 Christine Russell:** Since the Government extended priority for housing categories to include 16 and 17 year olds in 2002, that group has become the fastest growing group for homeless acceptances. Can I ask you whether you feel the benefit system is doing enough to support 16 and 17 year olds to live independently and indeed whether you think the Health Service is making sure their health needs are met?

*Mr Pond:* On the benefit system, Ms Russell, we are certainly trying to make sure as far as possible that we meet the particular needs of 16 and 17 year olds, treated as a priority group. Obviously the accommodation aspect of that is mainly for ODPM but in terms of the support that we can provide for their accommodation costs we want to make sure, given their vulnerability, that they are given as much support as possible. That is mainly going to be through the housing benefit system but it is also going to be through, for instance, the role of Jobcentre Plus and the Learning and Skills Council in making sure that they have every opportunity available to them to improve their position.

**Q363 Christine Russell:** And have you made the joined-up working between Job Centre Plus and council housing benefit departments, indeed services like Connexions, too, a priority so that everyone is aware that the 16 and 17 year olds now have an entitlement they did not actually have two or three years ago?

*Mr Pond:* Yes, as you will be aware, we work very closely with local authority housing benefit services and with housing departments to make sure that the services we provide are appropriately co-ordinated with the services that they have to provide at a local level and which they are statutorily committed to providing. Obviously the challenges for that group are very considerable and we have got to meet those challenges by working together.

**Q364 Christine Russell:** Of course 16 and 17 year olds who are in care are still the responsibility of social services but now another priority group is 18 year olds leaving care, so what about that group, is there anything different or more that you have to do to support that group than the 16 and 17 year olds?

*Mr Pond:* Yes again because that group in particular can be quite vulnerable, especially if they are that group leaving care, and then, of course, there is an important role for the Social Fund in providing community care grants to enable them to establish themselves in accommodation.

**Q365 Christine Russell:** And do you think that is working?

*Mr Pond:* We certainly are trying to improve the way in which the community care grants work. We are looking very seriously at that at the moment to see if we can make them much more consistent in the sort of provision that we make so that we can anticipate the particular needs that somebody in particular circumstances will have, and to make sure there is much less of a lottery in the provision that is made available in different parts of the country through the increased budget for community care grants and by the greater consistency which we have already implemented. I think the situation is much better than it was a few years ago but there is still much more we can do.

**Q366 Chris Mole:** We are aware that social services find themselves picking up the tab for families with children who are considered intentionally homeless, usually by providing alternative housing and creating great tension with housing departments. Are you confident that no children have ever been taken into care because their parents are simply homeless? And is there any research plan to look at the way in which the needs of these families can be met to address the causes of intentionality but to ensure that the children continue to live with their parents?

*Dr Ladyman:* You would have to refer issues to do with social services for children to the Minister for Families because the machinery of government now puts responsibility for that with the Department for Education and Skills. I do not know of any such research that has been undertaken. I certainly

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agree that families in temporary accommodation generally have to be a priority for health services to identify and we have set out in the National Service Framework for Children priorities for trying to identify both young people generally that need to have health services improved for them and social services improved for them, the problems of the transition between youth services and adult services, and the need to ensure that families that are excluded from services at the moment, and that would include those in temporary accommodation, are targeted and prioritised to try and bring them into the Health Service more proactively than we do at the moment. There is also of course a PSA target which primary care trusts and local authorities have to co-operate on and that is to reduce health inequalities by 10% by 2010. In the path of working towards that PSA target we would expect local authorities and PCTs to be focusing very heavily on this group of people.

**Q367 Mr Betts:** Maybe again this is not your area of responsibility but is there a problem of lack of joined-up government at both local and national level? If you address the problem of the families who create serious anti-social behaviour and eventually local authorities come in and evict them, is it reasonable then for the local authority to find another property for them to do the same to another group of neighbours somewhere else or might there be cases where other agencies like social services take the children into care and have a responsibility to them but say to the parents, "I am sorry, you have made yourself intentionally homeless and we have not got an obligation to re-house you so you can carry on as you did before"?

**Dr Ladyman:** I do not think we can ever have a formula that we say applies to every family and every child in every circumstance. I think each of these cases has to be looked at individually.

**Q368 Chairman:** Is it not important that people in the community who are being pressurised by their social landlords or by the local authority are told, "You have got to do something about your behaviour or your children's behaviour; know the consequences"?

**Dr Ladyman:** I absolutely agree with you. Having made the point that you cannot generalise and say there is one formula for everybody I was just about to say that I have a great deal of sympathy for that strategy and I certainly think that making people aware of the consequences of their action and making people aware of what their responsibilities are is a vital part in dealing with not just ill-health amongst our communities but also anti-social behaviour. I entirely concur that it might be necessary to step in and take children into care in order to deal with the situation.

**Mr Pond:** Just to add to that, it is very much part of the rights and responsibilities agenda that we have to expect people to take responsibility for their own behaviour and indeed that of their children. It does cause very considerable resentment to find that a local authority then has to re-house somebody

who has effectively made themselves intentionally homeless in this way, so I think that is something we have to look at very seriously as a change in strategy.

**Q369 Mr Sanders:** Does the Minister agree that tackling homelessness is essential if the Government is to meet its child poverty objectives? Would you regard homeless children living in temporary accommodation by definition as being in poverty?

**Mr Pond:** Poverty, as we know, is multi-dimensional, as is homelessness, and therefore there is bound to be an overlap between the two, Mr Sanders. Certainly to have families with children in temporary accommodation is not the ideal. We have a new challenge now and having reduced very substantially the number of families with children in bed and breakfast accommodation and having reduced very substantially the rough sleeping, I think there is recognition that we have to do whatever we can to make sure that families with children are not long term in temporary accommodation. I do not think it is an automatic link to say that they should be defined as being in poverty. Certainly in terms of one aspect of their living standards they are suffering an element of deprivation but there may be other parts of their circumstances and their parents' circumstances which lift them out of deprivation, so I think we need to be wary about an easy association between the two, although there is bound to be an overlap.

**Q370 Chairman:** There are various arguments about the Government sets too many targets but one of the arguments is that there should be a target to eliminate homelessness. The counter-argument is that that is covered by this question of child poverty for which we already have a target. Do you think it would be useful to have another target on eliminating homelessness?

**Mr Pond:** My own view is that it is helpful to have, if not targets, then at least guidelines and ambitions on the different aspects of poverty and deprivation because, as I said a few moments ago, it is multi-dimensional and in seeking to find a definition of poverty which is appropriate in the longer term we are taking account of that multi-faceted element of deprivation. Clearly it is important to have clear targets in terms of homelessness and on the numbers of families in temporary accommodation long term as part of that attack on deprivation which those families face.

**Q371 Mr O'Brien:** Mr Pond, as more and more people are living in temporary accommodation, they are finding that rents are so high they have got to rely on social benefits to make sure they can maintain that temporary accommodation, which prevents them in many instances from being able to take up employment. Would it be better to subsidise the accommodation than the individual?

**Mr Pond:** The first thing I would say, Mr O'Brien, is that it is not automatically the case that high rents in themselves make it difficult for people to move into work. Because housing benefit is payable for those in work as well as out of work very often, when

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Jobcentre Plus runs through the calculations with an individual it is clear that they would be better off in work even with a high rent. However, the perception is there that people cannot move into work because they would never be able to afford the rents, and I think that is important in itself. In terms of the high level of rent in temporary accommodation, this is something that we are discussing with ODPM and other interested parties to see if there is a way in which we can reduce the amount of rent which is supported by housing benefits payable by the individual and perhaps to look at a block grant approach in terms of the subsidy and in trying to improve the subsidy system making sure also that we continue to discourage bed and breakfast accommodation wherever possible. That is something which at the moment we are discussing and we will be hoping to come forward with some proposals and to perhaps go to consultation in the not-too-distant future, and we would certainly welcome the thoughts of the Committee on that.

**Q372 Mr O'Brien:** What action have you taken to reduce the number of people going into temporary accommodation?

**Mr Pond:** Largely of course that has to be a responsibility for ODPM in terms of the provision of affordable housing, particularly in the social housing sector, and you will be very well aware of their own ambitions in that area. As far as we are concerned, we want to make absolutely sure that the housing benefit system works effectively to make sure that people do not find themselves in a position where they become first of all homeless and then have to be in temporary accommodation. The efforts that we have been putting in, in partnership with local authorities to improve the processing time for claims for housing benefit, are very important and we have reduced quite considerably the amount of time it takes local authorities, especially in London and especially among the 60 worst-performing authorities to process those claims to make sure people do not find themselves homeless in the first place and also in terms of some of the changes in the way in which housing benefit works to make sure that we can ease the transition into work, for instance, treating the move into work as a change of circumstances rather than people having to make a new claim. All of these measures are important to make sure people never find themselves in the position of homelessness and temporary accommodation in the first place.

**Q373 Mr O'Brien:** Experience shows that the homeless are more likely to be out of work than people in permanent accommodation and, as you say, the ODPM are responsible for what happens with the homeless. What relationship do you have with the ODPM to try and ensure that homeless people are allowed permanent accommodation which would then give them a settled outlook so that employment would be more available to them? What action has been taken on that?

**Mr Pond:** Well, we work very closely with ODPM on a range of policy areas related to housing, housing subsidies, support for local authorities, and The Supporting People programme. We have to be careful here about assuming that there is an automatic link between homelessness, the housing circumstances and employment prospects because again there may be a number of reasons why people are homeless and a number of reasons why people are out of work.

**Q374 Chairman:** There is a pretty strong link, is there not?

**Mr Pond:** Intuitively, Mr Bennett, there clearly is a strong link. We are doing some of the research to find out just how strong that link is, but our position, as the Department, is to say that it is important, perhaps especially where people are homeless or in inadequate accommodation, to make sure we put the effort in to help them to move into work because that in itself could spring them from a situation in which they do find themselves homeless and, as I said at the very beginning, to empower them, so through the New Deal, through the work of Jobcentre Plus, including this outreach work, through things like Progress to Work and the Progress to Work Link-Up pilots, in all of these ways we are making sure that people can give homeless people every opportunity to move into employment.

**Q375 Mr O'Brien:** Should there be a New Deal for homeless people?

**Mr Pond:** I do not think there should be a separate New Deal for that group. Through the changes we are making to the New Deal over time through a programme of Building on the New Deal, we are increasingly trying to make sure that Jobcentre Plus districts and indeed individual personal advisers are able to tailor the provision they provide for every customer to the needs of that customer individually, whether they are homeless or whether they are facing other forms of disadvantage, and I think that is probably the right way forward.

**Q376 Mr Cummings:** I think you would agree that there are several problems with the housing benefit system which certainly is not helping the homelessness problem. Is a review of housing benefit on the cards?

**Mr Pond:** There is a continuing review, Mr Cummings, of the way in which the existing housing benefit system is working. I mentioned a few of those in response to Mr O'Brien's question in terms of improving processing times, et cetera. We are also reforming housing benefit in the private rented sector to move towards a system of local housing allowances because one of the difficulties we face at the moment is that it is very difficult for people to predict just how much support they can get towards their rent because housing benefit of course will vary according to the rent which is actually paid for a particular type of property as well as the circumstances of the tenant. Now, through the local housing allowance, which we are piloting in nine

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Pathfinder areas and which we plan to roll out by 2008 nationally, we are looking at a system of a standard local housing allowance for each area which is very predictable so that people know how much they are going to be able to spend. It gives them more choice and it is payable directly to them rather than going to the landlord, but with certain protections for vulnerable groups and we believe that that will considerably improve the way in which the system operates. We are moving forward on the design of the pilots for the social sector, but we need to tread much more carefully in the reform of housing benefit in that sector because of a much higher level of vulnerable people and because of the dependency that many of them have on housing benefit.

**Q377 Mr Cummings:** The Committee heard from witnesses last week that prisoners will be able to claim housing benefit during the notice period on their tenancy. Are you able to confirm this?

**Mr Pond:** Yes, I am. We have said that a four-week notice period, where it is necessary, can be covered by housing benefit and this is part of a range of measures, including the 13-week rule which allows the coverage of housing benefit, where necessary, where actual sentences, including remission, of less than 13 weeks can be covered for people who are convicted prisoners because it makes no sense at all that the rules on housing benefit should force people to leave their accommodation when they emerge from a relatively short spell in prison.

**Q378 Chairman:** But there is also the issue, is there not, that if they are not covered for the notice period, then they end up going into prison with a housing debt which means that that is one of the reasons the local authority is reluctant to rehouse them, because they say, "Well, you owe us a couple of hundred pounds, so when you pay that back, we will consider you for rehousing", so what is important is that the benefit covers for the period of notice that someone has to give?

**Mr Pond:** Yes, and that is why we have said that for a four-week period we are able to do that. For people who are in prison for a longer period of time of course there is going to be a potential problem of housing debt which is why we seek to limit the payment of housing benefit to that 13 weeks so that people do not find themselves committed to rent for a longer period of time. We do have to look at the circumstances in which people re-enter the community after leaving prison and Jobcentre Plus does a lot of work in every prison in the country and I think it is highly regarded with employment and benefit interviews with inmates to make sure that,

from that perspective, they are as ready as possible to re-enter the community and we do whatever help we can in terms of help from the Social Fund and housing benefit to ease that transition.

**Q379 Mr Cummings:** The 16-hour housing benefit rule prevents young people over 18 studying full-time while in receipt of housing benefit. Could this be removed?

**Mr Pond:** Well, it is something which we have been discussing with young people around the country and I have met a number of them personally to discuss this. As you know, the Foyer Movement has been campaigning very vigorously on that particular issue. We do want to make sure that as far as possible people who are in work are in work and are not finding themselves in a compromised position in terms of the support for education and studying, but this is an issue which we are looking at very seriously.

**Q380 Chairman:** When are you going to reach a decision on it? It is all right, going to talk to young people, they are concerned, the Foyer Movement is concerned, but when are we going to get an answer?

**Mr Pond:** I hope we are going to be able to come up with something in the next few weeks, Mr Bennett. It is something that we have been looking at very carefully over the past few months. Clearly there are practical implications and there are financial implications which we consider very seriously, but we do recognise the problem.

**Q381 Mr Sanders:** Are homeless people who move into permanent accommodation entitled to Social Fund crisis loans and, if not, why are they not entitled to this assistance?

**Mr Pond:** Well, they are entitled to community care grants under the Social Fund and, as I mentioned earlier, Mr Sanders, we are doing what we can to improve the way in which that system works. They may well be entitled to crisis loans in terms of meeting some of the initial costs and budgeting loans to meet possibly rent deposits, and, in terms of the crisis loans, that might cover some of the advance payments of the rent and accommodation costs, so the Social Fund can help people in a number of ways in moving back into stable accommodation. I have to say that I think there is still room for us to improve the way the Social Fund works in this and other respects and that is why we are undertaking a long-term review of the way that the Social Fund does operate.

**Chairman:** Well, on that note, can I thank you both very much for your evidence. Thank you very much indeed.

*Witnesses:* **Rt Hon Lord Rooker**, a Member of the House of Lords, Minister of State for Regeneration and Regional Development, and **Ms Terrie Alafat**, Director, Homelessness and Housing Support Directorate, Office of the Deputy Prime Minister, examined.

**Q382 Chairman:** Can I welcome you to the Committee for the third session this morning and can I thank you for your patience as we are running late. Can I ask you to introduce your team.

**Lord Rooker:** Yes, Jeff Rooker, Minister of State at the ODPM, and I am joined by Terrie Alafat who is the Director of the Homelessness and Housing Support Directorate in the Tackling Disadvantage Group at the Office of the Deputy Prime Minister. I think I have got that right. We are the joined-up part of the operation of the Government, and you have been listening to my colleagues of course.

**Q383 Chairman:** Do you want to say anything by way of introduction or are you happy for us to go straight to questions?

**Lord Rooker:** No, because you have been doing a long inquiry and I have listened to the questions and answers to the other Ministers this morning, so I do not want to repeat everything necessarily. I am quite happy to go straight to questions.

**Q384 Mr Betts:** I was hoping you were not suggesting there that your colleagues were not joined up!

**Lord Rooker:** No, because they all work sometimes with ODPM, so we are the thread that runs through it all. We all sit on the same Ministerial Committee on homelessness along with two or three other departments.

**Q385 Mr Betts:** Can I ask about the comments that the Deputy Prime Minister made recently when he said he wants to review the definitions for homelessness and social housing. Do you know what he meant and what form would this review take?

**Lord Rooker:** Well, I think you are referring to John Prescott's interview on the *Today* programme yesterday morning. I think the point he was making there—

**Q386 Mr Betts:** It was actually an earlier quote in the housing press.

**Lord Rooker:** Well, whatever, but the issue would be the same. The fact of the matter is that when we published, and they were published yesterday, the quarterly figures in respect of homelessness, because a figure in temporary accommodation had hit 100,000 for the first time, so going from 99,000—odd to just over 100,000, it had this, if you like, psychological significance. I think the point he wanted to make was that these are families in temporary accommodation, but they are actually households in accommodation that has been arranged by local authorities through the homelessness route, ie, through the legislation relating to homelessness, so they were not on the streets. The vast majority of them are in self-contained dwellings, ie, flats and houses, some 82%, and they were not roofless. I think the point he was trying to emphasise in this is that the issue they have not got of course is the tenancy agreement in the

sense of a secure tenancy and 50% of them, about 50,000, are in private sector accommodation that is leased or licensed by local authorities. I think that was the point he was wanting to make, to have a look at that so that people's perception, if you like, the upfront issue that people see relating to homelessness is people sleeping in shop doorways and the knowledge that people, too many, but nevertheless people are living in shared accommodation in hostels and I think it was this idea that this great bloc were homeless, ie, roofless, that I think he was seeking to raise. It is something obviously that we are always looking at and we are not seeking to manipulate the figures or we are not seeking to eliminate a problem by redefining it, by the way, so I do want to get that out of the way straightaway, but it is a question where if a spade is a spade, describe it as a spade and not a fork, so it was a question of describing the circumstances and the shorthand that we have to use because in terms of homelessness, without a home, without a roof, without a place to sleep at night is not the same, for example, as people who are in temporary accommodation.

**Q387 Mr Betts:** I think everyone can understand the Government's desire to draw attention to the success of their initiatives on cutting the number of people sleeping rough, and that is understandable, but I think there is a worry around that somehow homelessness has always been used to define people who have not got a permanent home. That is essentially what it has done, and there may be different circumstances. We have got to try and assure them that we are not going to try to redefine that core definition which has been around for some time.

**Lord Rooker:** I think the short answer to that is yes, we are not seeking to eliminate a problem or hide a problem by changing definitions. The fact of the matter is that the Government itself, as you have heard from colleagues this morning, has taken steps in the last couple of years in legislation to actually widen the legislation so that more people go through the gateway of being statutorily homeless. You have actually heard that this morning and you know that because obviously you were involved in the changed legislation, so, if you like, we make a rod for our own back because the problem was always there, those people were vulnerable and they were homeless, as I know and you know from our surgeries, but some of them were not covered by the statutory definition, so we widened the statutory definitions. In fact one of the reasons the figures have gone up, and I am not saying it is the only reason, is because the Government has tried to deal with the problem that we know is there, so define it, get the legislative cover for it and then put the programmes in place to try and deal with it, but the answer to your question is yes, we are not seeking to change definitions to hide problems; far from it.

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**Q388 Mr Betts:** Could I ask about local authorities' use of strategies. The Department published research this year which essentially found that the strategies were patchy with poor co-ordination, particularly with social services and registered social landlords. Have you got now a programme to try and deal with these findings and sort the issue out?

**Lord Rooker:** Well, under the same legislation that widened the categories of statutorily homeless, local authorities for the first time were required to have a strategy in place for homelessness and, by and large, I think it is 354 in England, though I could be corrected, yes, 354 authorities in England have now got in place a strategy for this and it has been very widely welcomed by those authorities who were required under the law to have such a strategy. It is true they are not all the same. In fact I myself once addressed a conference where we used authorities as exemplars for other authorities and dealt with 100 or so at a time as to whether they were tackling various aspects of homelessness under the new proposals. I am not saying they are all the same. For the smaller authorities, particularly some of those in the rural areas where there is not much of a supply, the nature of the homelessness might be different, and the rate has gone up in some areas and, in terms of acceptances, not an even pattern across the country, but the best decisions are the ones made locally by authorities. We have a very, how can I say, not oppressive, but a hands-on approach in the ODPM to our contacts with local authorities in terms of being supportive. In fact we can offer advice, help, the physical presence of people, of advisers, as well as money to meet these difficulties, so we do not look on it as a minus and, where things are not quite working as planned, we seek to move into working in co-operation with them to get them all to the same level, but there are variations and I freely admit that.

**Q389 Mr Betts:** As part of this research, it has been identified that particular authorities have got problems. Have you proactively gone to them and said, "Here is an issue. We've identified it. We want to help you work at it and improve the situation"?

**Lord Rooker:** Yes. I have to say, Clive, that I have not come with a list, to the best of my knowledge, with all the authorities, but I know to my certain knowledge that we ourselves from the centre can offer them financial help, physical help from other authorities which we know are exemplars, and also a hands-on approach from advisers who can go in and help them with their systems and their procedures, so from that point of view we try to be, as it were, "I'm the person from the Ministry and I have come to help". It is that kind of approach.

**Q390 Chairman:** We do not necessarily want you to list those which have got E-minuses or that sort of thing, but what about the A-stars?

**Lord Rooker:** Well, the one star in particular, and it is very unfair to single people out, but I know in terms of one aspect of the strategy that we used Harrow as an exemplar at a conference at a football stadium, I think it was Watford, if I remember rightly, where about 150 authorities came to the day

not just to learn about Harrow, but we used them very much to explain how they had dealt with aspects of the strategies, and there are others. Of course the problem with these conferences is that I look down the list to find the authorities that were not on the list because sometimes it was those that we needed to come to conferences rather than the willing hands. We are working with authorities to improve their joint working and co-operation of course with social services because we work with other departments to improve the operation of the local authority because it is not just the housing department of the local authority of course, but of course it goes across other departments where they have got separate departments and departments for social services. I do not know how we have got them rated, and it would probably be quite unfair and I do not want to cause problems, so I cannot, no, and yes, there is a shake of the head there! We have got them traffic-lit inside, but we would not publish it. As I say, our approach is positive. For those who are a little bit behind or fall by the wayside, once they have achieved the target we would need to make sure that they keep to it, for example, the target for families out of bed and breakfast which we achieved a remarkable success with. We get a bit of slippage, so we have to make sure we have got a hands-on approach and we can help them when they seem to be falling back.

**Q391 Mr Betts:** In terms of yesterday's announcement of £150 million, can you say how that is going to help to either prevent or deal with homelessness as an issue? Is it really new money or is it a re-announcement of existing money?

**Lord Rooker:** It came from the Spending Review announcement in the summer where the Chancellor made the spending announcement for 2004. Now, the point about that is of course that there is a lot of block monies in that. For many departments, they have not yet divvied that up, and we have not ourselves, for example, and I can give one example of Neighbourhood Renewal. With Supporting People we have, but in terms of the announcement yesterday, approximately, and do not hold me to the last million, but about £90 million of that is for, if you like, the hostel side of things in terms of homelessness both from a physical point of view in terms of capital spend, but also the other work that goes on in hostels which of course is very much advice, work getting people, if you like, off substance misuse and pathways into work and into more settled housing. About £60 million, £57 point something, would be to the local authorities and voluntary sector agencies for some of their specific programmes. We spend a lot more than this, but this is a specific area of programmed activity, so it is roughly split. Yes, the announcement was approximately £90 million into the hostel side and about £60 million, just a little under £60 million, into the local authorities and voluntary sector agencies. That is new money, but it was part of the global settlements that were announced by the Chancellor and all the billions of pounds that were announced in the summer, so we are not making another

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announcement of the same money twice. As I say, there are a lot more announcements and it is early days for departments yet and you are dealing with multi-million pound programmes over a Spending Round that starts in 2005–06 of course.

**Q392 Christine Russell:** How are housing providers going to access that? Is it going to be bids through Government Offices?

**Lord Rooker:** On the local authorities, it is almost a formulaic approach because they know by now. We have published the actual figures for the authorities and I saw that last week.

**Q393 Christine Russell:** But what about the charities and the voluntary groups who provide housing for homeless people?

**Lord Rooker:** That is a good question. I think it is the centre. A lot of the key players, do not get me wrong about it, a lot of that money will be spent here in Greater London, and I make no bones about that, there is a big issue there.

**Q394 Christine Russell:** It just so happens that the question I wanted to ask was about homelessness in the north.

**Lord Rooker:** Well, that is a fair question, but I am just saying that the vast majority will come in from bids from many of the well-known providers who are basically out there with outreach teams in terms of looking at rough sleepers, providing hostel accommodation and also making sure that people coming into hostel accommodation get good services to the extent that they can move on into settled housing and do not have to come back into hostel accommodation. It may mean of course that they move up north in the sense that is where jobs are and accommodation.

**Q395 Christine Russell:** Well, I would like to assure you that we already have hostels that are silted up in the north too, and that is the question I wanted to ask you. It is surprising, is it not, that we do get rising levels of homelessness in places where there are actually loads of empty properties and abandoned houses? What research have you done and what explanation do you have for that?

**Lord Rooker:** Well, we have to be careful about this. I will freely admit and we know there is a lot of that situation in that we are a very uneven country relating to housing supply, housing costs and housing provision. We are uneven as well regarding where the empty properties are. First of all, there is a huge number of empty properties in London which we are really seeking to bring back into use, and the estimate is about 40,000, I understand. Some of those are properties for commercial premises and we have got programmes in the Department to seek, with the property companies, the big owners that own the properties rather than the people who rent them for commercial use, to bring as much of that back into use as possible. We have of course got a large scale in terms of huge numbers of empty properties in what I call “the north”. Now, many of those homes, let’s get this clear, are not from the last

century, but they are from the one before. They are probably built without foundations, not fit for human habitation and it is good money after bad to do them up in that sense, and if you did, they are still claustrophobic because there are no green spaces. Therefore, one of the issues that we have done in the Department is to designate the Housing Market Pathfinder programmes, most of which are in the north, and there are two in the Midlands, but the other seven are in the north. That does involve both demolition and rebuild and it involves demolition to create green spaces between them where they can be saved, but you are quite right. However a lot of these empty ones, by the way, are not fit, but they are abandoned. It is not as though people have just left them, but they have abandoned them completely. However, we do then get side by side of course, as I think the Deputy Prime Minister was asked yesterday when I was at a couple of meetings with him in discussion with specialists, large-scale demolition and still homelessness where the local authority is saying, “Hang on. We have still got to use bed and breakfasts”, and we say, “No, you should have your own empty properties maybe to have done enough to cope with that”. In terms though of the households accepted as homeless, for example, on a regional basis, April to June 2004, there is for the same quarter last year only one region where it was up, funnily enough, and that was in the north-east where the rest were either down or no change, so we know we have got some trends that are the opposite way to yesterday’s total figures. Yesterday’s total figures hide what is happening in the sense of prevention policies where local authorities do things to prevent homelessness, family mediation and other issues, where we can prevent homelessness, but we have got people flowing into temporary accommodation and not flowing out fast enough because of the shortage of affordable housing and there is a silting-up of the process there. However, in fact the homelessness acceptances in 2003–04 were indeed 137,000 in the final year of the acceptances and they are spread over England and one of the fastest rising in terms of percentages was in the north and not the south-east. I think it was Yorkshire and Humberside where it was a higher percentage than in the south-east, so there are these paradoxes, but that does not mean to say that we cannot solve the problem, but we do have areas where there are large numbers of properties that frankly should have been got rid of and demolished years ago because it gives people a false idea about housing provision in an area, but of course it does cost. Clearance programmes cost money and, therefore, we do need programmes and it is not something for local authorities, but it is a legacy they are left with which the present council taxpayers cannot always carry and, therefore, we need central government programmes for this.

**Q396 Chairman:** But if you actually clear some of these houses and you do the others up, there is a tendency for the whole area to become gentrified and then you actually make the shortage of low-cost housing worse in those areas, do you not?

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**Lord Rooker:** Well, no, with respect, that might be a view, a knee-jerk reaction, but I make no bones about it, it is an avowed policy objective in the Pathfinder areas to raise values. It is an avowed policy objective. It has never happened before with any government programme, with the Housing Action areas, Urban Renewal areas, to actually raise values. The issue was so bad in Pathfinders where dwellings were being sold—

**Q397 Chairman:** Yes, I accept that that is the aim.

**Lord Rooker:** Yes, but you used the term “gentrified”. I can assure you, Andrew, that in the areas I have been to in terms of Pathfinders, and I have been to four in the last fortnight, where I have seen work going on, I would not describe what has happened as gentrification, in the slogans of what has happened in the Camdens and the Islington of London. People’s properties are being done up and some are being removed because it uplifts the area. Uplifting the area means that the shops come back and the businesses come back because these are areas where the actual community has virtually collapsed and been abandoned. It can be done in a way, and part of the Pathfinder programme is a long-term programme, not for two, three or five years, but it is a long-term programme, which is to make sure that it can be done in a way so that the housing provided is mixed, that it is affordable and it is not single tenure. We are not going down that road again; we have to create mixed communities.

**Q398 Chairman:** And you do not accept that people on low incomes get squeezed out of those areas?

**Lord Rooker:** No, the point is that if they are there now, and it is the case in some areas where the dwellings they are in, the part of the street they are in, and I saw streets last week or the week before where there were four or five people left in the street and the street is coming down, it has been abandoned, but there were a few people still living there, so we have got to make sure they are rehoused at their choice. I used to say to my constituents when it happened, “You’ve got something they want, your house. It is your one chance to get somewhere you really want to live, so don’t accept the first thing you’re offered”. “Horrible advice from the Minister”, they said, and I said, “Well, that’s what MPs will say to their constituents and quite right too”. Then you have got the question: do they want to come back to the same area, so we can match them in with our programmes for renewal in the Pathfinder areas? We have had discussions and we are in discussion indeed with DWP because some of them are owner/occupiers and indeed because they are getting help with the mortgage, and it would not necessarily transfer to be like a new mortgage and we have to make sure that the equity and the mortgage arrangements we track, otherwise we will end up with an estate full of tenants and we would not want estates full of tenants, we are not doing it that way, but we want mixed tenures. We do not want people to be forced to leave owner/occupation because of what is happening in the area for which they are not responsible, so we do have to do the work with a

massive amount of consultation at an individual family level in the Pathfinder areas to make sure for those people who are rehoused that it is done adequately in terms of their affordability and their choice of area where they want to live.

**Q399 Christine Russell:** Moving on to a slightly different issue, we were told last week by the Salvation Army that in a number of hostels, and I think one in particular, something like 70% of the residents were either black or from ethnic minority households. What is the Department doing to address the issue which seems to be, and the evidence seems to be there, that a high proportion of homeless people are from either black or ethnic minority households and families?

**Lord Rooker:** I accept what you say about that. We are instituting some new research on this. The figure I have got here, the latest figure, in terms of us collecting information about ethnicity, we have got to do some research on this because our information is not always that accurate. It is not even always accurate on a gender breakdown, believe it or not, but we have been collecting information about ethnicity of homeless households for the past two years. In the third quarter of 2004 there were 32,330 eligible for assistance and 74% of those were classed, and this is how they were classed as white, 10% Afro-Caribbeans, 6% South-East Asian, another 5% were from another ethnic origin, presumably non-white, and the remaining 5% were unknown, but the black and minority ethnic communities are definitely over-represented amongst those accepted as homeless. Nationally, around 8% of the population are from black and minority ethnic communities, that is the totality of England, but about 21% of those accepted as homeless in the last quarter were from that group and, therefore, they are nearly three times more likely to be homeless.

**Q400 Christine Russell:** Why do you think that is? Could it be that social landlords in Britain in 2004 are still unwilling to provide a roof over the heads for black people?

**Lord Rooker:** I do not think so. I think there are enough, certainly in the urban areas, organisations out there to ensure that they are straight down to their learned friends if that was the case. The legislation is quite robust. I am not denying there are attempts sometimes to keep to areas, particularly in the north-east where there have been problems of social cohesion because I have seen the advertising boards myself, the estate agents’ boards in the shape and colour of the Union Jack, which is giving a real message from their point of view. It may be, but I do not know because homelessness is not really just related, by the way, to housing supply, and I think that came out from the other Ministers. There are issues relating to family breakdown and other issues, social issues, which is why it is not down just to one department. Building more homes, it is true we do need more homes in this country, more affordable homes in the right place certainly, but even that would not solve necessarily all of the problems, but we are going to commission research on this. It is an

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area which needs to be further looked at. It is commissioned, but I am not sure how big the research budget is or what kind of figure it is.

**Ms Alafat:** We have already commissioned a piece of research on this very issue which is soon to report.

**Q401 Christine Russell:** Who have you commissioned it from?

**Ms Alafat:** Ethnos Research and Consultancy, and we have also commissioned a piece of work which is a good practice guide because what we want to try to do once the research is published is actually to go out to authorities and to work alongside and improve practice, so it is something of a concern and we have known about this, so that is why the research was commissioned about a year ago.

**Q402 Mr O'Brien:** Earlier you mentioned, Minister, the cross-departmental committee looking at homelessness. Is that at a ministerial level?

**Lord Rooker:** Yes, there is a ministerial committee on homelessness which consists of the departments and sometimes the same ministers you have seen this morning and, in addition to that, there is also the Treasury, the Department for Constitutional Affairs and the Department for Education and Skills, and indeed it is that committee that is working at the moment to revisit the totality of our strategy on homelessness. Indeed in due course when your Committee reports, it is that committee which will put the Government's response together. In fact we last met, anticipating your next question, about three weeks ago in a day centre here in central London, Victoria, so we did not have our ministerial meeting in Whitehall.

**Q403 Mr O'Brien:** Who is the lead Department?

**Lord Rooker:** I chair it.

**Q404 Mr O'Brien:** And have you considered the Scottish proposals where they are saying that the priority need in homelessness is to be abandoned and they are going on to the question of the need of the applicant? We have heard this morning that there are priorities for Service personnel.

**Lord Rooker:** Yes, we have considered it and rejected it. That is the ballpark answer and I am not going to hide behind the fact that Scotland is devolved and the whole purpose of devolution is to see that different solutions come up in different areas and there is no earthly reason why on another range of policies Scotland should follow England or England should follow Scotland.

**Q405 Chairman:** It does appear to be working though.

**Lord Rooker:** Well, in their circumstances it might work, in our circumstances it might not, but it is not something we are going to follow at this point in time.

**Q406 Mr O'Brien:** Why?

**Lord Rooker:** First of all, we have widened our own categories, we have got a system where frankly our system is not failing in terms of priority needs to the

extent we would have to tear it all up, which is what Scotland is doing, and in effect start again. We see no justification for that.

**Q407 Mr O'Brien:** Why, when in the categories it means that there are more people outside the priority needs, so does that not exacerbate the situation of homelessness? If you bring in 16- and 17-year-olds who are not priority need, but they are homeless, so you have a narrow priority need, but with a wider area of categories, then some of the priority needs may be less in need than some of the other categories, and this is the Scottish dimension, do you not see that there could be problems there?

**Lord Rooker:** Well, I am not going to comment on Scotland, Bill, because, first of all, I am not responsible for Scotland and that is the whole point about having devolved government. There is the Government in Scotland that has got its own legislative framework and makes its own rules in this respect and it has its own budget. It is not the position of ministers who are solely relating to England. I know this is an unusual thing for those of us who have been in this building for a long time, but it is something we have to get used to. We see no justification for changing what we are doing, though we are always reviewing what we are doing, but there is no justification simply because something is done in Scotland to say, "Well, we'll do that in England".

**Q408 Chairman:** Okay, we will look at our own targets then.

**Lord Rooker:** Just relating it to house purchasing and issues like that, you can go and take your evidence from wherever you like, but the fact of the matter is that just because something happens in Scotland does not mean to say that it would either work in England or that we would accept it.

**Q409 Mr Cummings:** The evidence from your Department, Minister, indicates that you have a brief to reverse the rise in homelessness by 2008. Do you believe this is achievable and, if so, how will you tackle it?

**Lord Rooker:** Well, we have to. We are trying to set targets which are challenging and not impossible ones as well. We have a programme and there is not one single solution to this. Number one, we have got to get a step change in housing production in this country for more affordable housing, and a virtually over 50% increase over the next Spending Round. There is no question about that in terms of priority, as indeed the Deputy Prime Minister and the Prime Minister have made clear. We also have passed legislation or Parliament has passed legislation for us first of all in fact to make better use of empty properties so that new powers will come into force for local authorities to take over the management, and I emphasise that, the management, not the ownership, of dwellings that have been left empty for long periods for no good reason.

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**Q410 Mr Cummings:** Perhaps I can interrupt you because you have been talking about getting these properties on the market now for well over 10 years, previous administrations, this administration.

**Lord Rooker:** That is right.

**Q411 Mr Cummings:** But have we moved anywhere towards it?

**Lord Rooker:** No, because there was no legislative power. If someone has got an empty dwelling and they own it and choose to keep it empty, there is nothing anyone can do to say, "We want that dwelling".

**Q412 Mr Cummings:** So what guarantee do we now have that we are going to have this legislation which has not existed in the past?

**Lord Rooker:** Because your House and mine have just passed the Housing Act and the Housing Act 2004 contains legislation to bring in empty dwelling management orders. They will come into force and, believe you me, local authorities are gearing up for this because sometimes they are peppercotted, they are around in areas where there may be one or two single dwellings in an area and nobody knows why or who the owner is, and the legislation goes so far as to allow even that kind of property where the owner is not known still to be taken into management, done up, used for a homeless family with the rent to pay for the doing-up of the property and any surplus accruing to the owner later on, so it is not confiscation or anything like that. It is different from what you said of 10 years ago, so there is an element there of making better use of empty properties and a bigger building programme all over the country in the sense of whether it is the growth areas of the wider south-east or the Market Renewal Pathfinders and elsewhere in terms of affordable housing and a concentration on that, and also of course, and this comes back to one of the earlier questions, having a serious look at the flow of families in and out of temporary accommodation. With some of this accommodation, and we do need to have a look at this and we will do some further research on families in temporary accommodation, it sometimes becomes their permanent accommodation, but sometimes there is a big gap where they are left in limbo. "Is this going to be my permanent home or not?" They might have self-contained accommodation, but we need a faster flow, as it were.

**Q413 Mr Cummings:** Will the target for 2008 then, Minister, include all categories of homeless people, including non-priority single people and the hidden homeless?

**Lord Rooker:** Well, you tell me how many hidden homeless there are.

**Q414 Mr Cummings:** Well, I would imagine in a department of your size, some research may well have been done and you would be in a better position to give the answer than me.

**Lord Rooker:** Well, the only figures I have got are the tables which were published yesterday. All kinds of fanciful figures were issued in the press, but if you can tell me the source of those and the research, fine, but they are not in any—

**Q415 Mr Cummings:** No, I cannot do it, Minister.

**Lord Rooker:** But that is why we do not know how many hidden homeless there are. We all know though that there are people who, given a choice, would not live in the circumstances they are in either as lodgers or with friends or with family and they are not necessarily always registered for local authority housing, so the grand total of that is not known. We have to work with the people who go through the legislative homeless route, claim support from the local authority and want to be registered as homeless, and I have given you the figure of the acceptances, of people accepted as statutorily homeless in the last financial year, 2003–04, which was 137,000. There are some people who are not classified as priority need. As I said, before we widened the legislation in 2002, by and large, young, single people of working age were more or less ruled out completely irrespective of their history and vulnerability. Well, we have included categories now of people who have been in care, in the military and ex-prisoners because of the natural vulnerability of the situation they are in.

**Q416 Mr Cummings:** Are you confident, Minister, that you are counting all the rough sleepers in the figures?

**Lord Rooker:** Yes, I am confident of the system for counting rough sleepers. There is a national audit. I have spoken to people from around the country, friends of mine who have been involved with this and I did not know at the time that they have been involved previously, about the way it is done. We are fairly confident, as confident as we can be, and the figures are not open to challenges in the way they were earlier on. Trying to count this is something which is very difficult to put across to the public. We are very confident on any one night that the figure is now around about 500 across the country. We do checks with local authorities and we work very closely. I have gone on visits to local authorities where I have been tipped off. I have gone for one reason and I have been tipped off by what was the Rough Sleepers Unit and now is the Homelessness and Housing Support Directorate, that, "By and large, that authority is not doing as it should do on rough sleepers. Could you have a word with them?" and they are usually very embarrassed about it, but I am confident that the figure is around about 500 down from 1,850 in 1998, and the system of counting is quite a good one to avoid double counting on the night, for example, and it is fairly robust. I think that is generally accepted. Obviously it is still too many, 500, by the way, so we still have got some work to do and I know that. I have been out with an outreach team one night in Victoria as Jeff the researcher, not Jeff the Minister because otherwise no one would talk to me, to see what the situation is.

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**Q417 Mr Cummings:** Do you believe the target will be met then?

**Lord Rooker:** Yes, I will do my damndest to make sure it is met.

**Q418 Chris Mole:** I think, Lord Rooker, we heard from you that homelessness is not just about supply and you have accepted that we need more social homes. Despite the increased investment in housing, how much do you think we need to increase the supply of social housing by in order to take the pressure off the temporary accommodation and then to meet the demand that there is for it?

**Lord Rooker:** Well, we do not have a figure like that. All I would say is that within the next Spending Round we aim to provide 75,000 affordable homes. These are new, these are not there now. Kate Barker's review, which was published at the time of the Budget earlier this year, the Government is actively reviewing. We have accepted some general principles she made about the merger, for example, of the regional planning boards with the regional housing boards. We will pronounce in more detail on the Barker Review probably by about September of next year. For example, later today, along with Keith Hill, I will be chairing a meeting on housing supply, which we are actively doing and this is with the private sector as well as the public sector, planners and developers, because we have been looking at the hurdles in the way of the supply of housing which has already been promised through the Regional Planning Guidance that is already there where there have been slip-ups. We are managing to get an uplift in that, so we are pushing where we can for more affordable housing and, as you will appreciate, the Deputy Prime Minister has locked on to the fact that homes can be built for £65,000 and, as was announced in Brighton earlier this year, later you will see some living proof of that as we get some schemes under way. It does mean that we are miles behind in the housing provision of affordable housing in this country and the replacement of existing stock. We only replace our existing stock at 0.1% a year, whereas France and Germany replace at 1% a year, so we are bad at that. In other words, we are putting money into very, very old stock. We have had to change the planning laws for this and the housing legislation. We have had to overcome opposition. We have to make sure we do not waste land when building at high densities and on brownfield land, and two-thirds of new dwellings are on brownfield, so there is a whole programme to get a step change, not just a little extra bit of housing, but a step change in housing production. As Kate Barker said, what we want to be able to do is to build at such an extent where we can distort, if you like, the market where vast increases in house prices are caused by acute shortages.

**Q419 Chris Mole:** Well, you were extolling the virtues of Harrow earlier on and they have commented that investment for new housing through the ADP will only deliver 54% of the new homes for social rent that are needed, so do you think you have got the balance right between new

social rented housing and key worker and other affordable housing schemes, especially when there is so little social housing, and the demand for it?

**Lord Rooker:** It is a good one, that, because when you are short in all the areas, to the question, "Have you got the balance right?", the answer in some ways is always going to be no because if we say we have got the balance right, by definition, we are short of key worker housing and we are short of affordable housing. We have got a large number of people who still want to aim to the aspiration of owning their own home and they want to own as much of it as possible. Then we come down to the definition of what is a "key worker". Well, I think everybody who has got a job is a key worker because if they are not doing the job, someone else is going to suffer for it. However, at the moment we have a very tight definition of "key worker", but, as I say, many other people can claim that they are key workers, so I am not going to claim we have got the balance perfectly right. We have got to do more, to be honest, because on every front we have got to provide more key worker housing both for rent and to buy and for shared ownership both in London, the wider south-east and in the rural areas as well because they must not be forgotten as a large number of our population live in the rural areas and we do not want small towns and large villages just to become dormitory and young people driven away from where they have been brought up simply because of a shortage of affordable housing. No, we have not got the balance right because we are short of supply in virtually every area.

**Q420 Chris Mole:** You mentioned pressures in London and the south-east, particularly acute in London, yet the growth areas of the Thames Gateway are going to be where a lot of the new homes are, so are they really going to help with housing homeless people in central London?

**Lord Rooker:** Yes, I think the emphasis on the Gateway of course is to develop to the east certainly rather than to the west where of course there has been enormous pressure, but the potential in the Gateway is for creating new communities, not just commuter belt, we are not seeking to create a large community, although we do need the infrastructure to cope with the large expansion we intend, and, what is more, the expansion that is going on now, there is an awful lot of work going on now in the Gateway, but the potential there is brownfield sites and the interest from developers who see an overall plan for the Gateway which includes of course river crossings. The minute you start looking at the issue of river crossings, you open up the potential for sites that have been derelict for years in that area and, therefore, new opportunities for people to create new communities, including jobs, otherwise it would not be sustainable, are enormous in the Gateway. It is one of the four growth areas, although it is the biggest in the sense of money, and it is also the longest designated of course because, to his credit, it was Michael Heseltine who first saw the vision of creating the Gateway of north Kent and south Essex and the potential was so enormous.

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**Q421 Chris Mole:** You were touching on investment in London and just now you were talking about some of that being spent on hostels, but we have been told that the Housing Corporation has actually been cutting back on funding capital funding for new hostels because there are no guarantees of Supporting People funding for the revenue costs associated with running them. Are you aware of the problem?

**Lord Rooker:** I am aware of it not in all the minute detail, but, as I say, the money that we announced yesterday, the approximately £90 million, that is not through the Housing Corporation. Basically it will be managed from the centre, but in co-operation with the Housing Corporation, so there are different sources of funding, but Supporting People—

**Q422 Chris Mole:** Is that capital?

**Lord Rooker:** Yes.

**Q423 Chris Mole:** So will that not run into the same problem?

**Lord Rooker:** Well, it is not all capital. It is refurbishment of existing Supporting People of course, and I appreciate all the questions you sent us on Supporting People and we have supplied you with answers, and I know you said you might want to take some evidence on this early next year rather than today—

**Q424 Chairman:** I was just about to ask you a question very specifically!

**Lord Rooker:** Well, I reread your letter this morning while I was sitting at the back on Supporting People. It is a three-year programme. This is the first time of course that we have just issued a three-year programme of £5 billion on Supporting People, but of course it is only three years. Now, I accept that, and I have had discussions not so much with the Corporation directly, but with some of the providers who are in this field in terms of capital expenditure, and you are talking about 20- or 30-year programmes. We are in the very early days of Supporting People when you consider the mish-mash of different benefits that came together to create the Supporting People budget and programme and of course some of the interesting variations we have discovered in Supporting People in implementing it. We have still got our work to do changing what has happened around the country. It was not introduced with all the financial finesse that it could have been and, therefore, this is something ongoing for us. I would not want to say that it will be exactly the same pattern now as 20 years' time, but I do understand that people who are going to develop, say, sheltered housing and all kinds of housing-led initiatives in terms of capital projects need to know that there is a flow of income.

**Q425 Chairman:** And all they actually know from Supporting People is the next twelve months, do they not? You have announced three years of the money, but local authorities have not got in place that continuity. Now, surely if you are going to put in a new hostel which involves a considerable

amount of support going into it which is paid for from Supporting People, you need at least a five-year guarantee that you have got that money coming in to make it reasonable.

**Lord Rooker:** I accept that. That is true in the way that you put it. Otherwise, you would not build if you did not know the income stream was there.

**Q426 Chairman:** And that is what has happened. The Housing Corporation has said to the various providers of hostels, "Here's some money", and they have said, "We can't do it because of the uncertainty about Supporting People".

**Lord Rooker:** Yes, but in some cases I have to say that this is one of the sensitive areas of this issue where, because the money has been, as it were, devolved out to the commissioning agents and commissioning organisations for Supporting People, we have found, though not in every area, that they are always keen to support the building of some of the hostels, for example, so within the Supporting People programme there is a very small amount of money, about £1 million<sup>1</sup>, which will be done more from the centre for some of these specialist hostels. Now, that is important that people are made aware of this. By definition, we have got an ongoing commitment there because they are meeting a very important social need with just over a million people benefiting from Supporting People and they are vulnerable, some of the most vulnerable members of society, so there is no way we are going to be pulling the rug from under them.

**Q427 Chairman:** We accept that, but what we want to know is can we not have some more hostels for this group of people because it helps your targets to reduce homelessness?

**Lord Rooker:** Well, all I can say is that we have got to give a better idea of building for future years and I am just hiding behind the fact that Supporting People is in incredibly early days. It is only 18 months old or thereabouts in reality at the present time. We have found some major problems in the sense of enormous variations in costs between, let's say, adjoining authorities for which there is no satisfactory explanation, but, on the other hand, we cannot use the expenditure plans we have just put out to bring, if you like, massive changes to those areas, but we do know there are some areas, for example, not being funded to the extent we think they should based on their need and others being over-funded based on their need and we have got to change that path. We cannot do that, however, even over one Spending Round, this two years, because it would be such a shock to the system and this encompasses, I would say, the provision of hostels as well which is why we have had to take a small amount of money to help in the provision of that.

<sup>1</sup> The £1 million is revenue to support the implementation of the £90 million capital hostels investment programme, as in some areas there will be some dislocation and disruption of services while buildings are refurbished. This funding is to enable services to continue in the interim.

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**Q428 Christine Russell:** We all know from our constituency experiences that most homeless families tend to get dumped on the same unpopular estates. You have mentioned several times this morning how we must all aspire to create mixed and sustainable communities, so does the Department give any advice to local authorities and RSLs on lettings policies regarding homeless families and Supporting People?

**Lord Rooker:** Yes, there is guidance and they are expected to have regard to it. They do not have to, but if they do not have regard to it, it can be challenged, even challenged in the courts, but it is not statutory guidance. We do not want to be too prescriptive from the centre. First of all, we are trying not to ring-fence in the way central government used to and we are trying to treat local government, councillors and officials, as adult, mature people who, in a local democracy, try to meet their local needs much better than I can or indeed, with respect to Terrie and her team, those sitting here in Whitehall. We are here to help and that is why we monitor the overall situation to make sure that the overall figures are okay and, where there is deviation, try and find out how we can help. Now, there is a phrase in your question there, but why has the local authority allowed an estate to become unpopular? Because they have failed in their duty to manage it because they are terrible landlords and they have allowed that and they are just not pushing it and, therefore, they then tend to say, "Well, we've got an estate where we've got too many empty houses because the good people or anybody with any go has got up and gone", and, therefore, they use it as a dumping ground. Well, that is crass irresponsibility of any local authority and I cannot believe a local authority would have in this day and age, because the culture is changing, that kind of old-fashioned policy because they know it does not work. It is also more expensive, by the way, because you end up having to spend a lot of money to pull back such estates.

**Q429 Christine Russell:** That is why we have the Pathfinders, to redeem the mistakes of the past.

**Lord Rooker:** And I can show you lots of examples around the country where such estates have been turned round. It does mean proactive work to go into such areas and actually, if you like, break them up in the sense of mixing the tenure. That means that you have got to have a targeted response to get mixed households into these estates. They will be much more sustainable that way.

**Q430 Chris Mole:** You have achieved your target for getting rough sleepers off the streets, but you have acknowledged that temporary accommodation is silting up. What is the next step to address this problem?

**Lord Rooker:** As I say, the figures yesterday showed we have to do more work with local authority partners in this. They are responsible for the homeless legislation in that sense and we need to find out from them why people are in temporary accommodation for longer periods than maybe they

ought to be, or why they are left in a property which becomes their home for too long not knowing it is going to become their home. That is the next area, if you like, in terms of priority. When this issue was reviewed some years ago we looked at both bed and breakfast and rough sleepers, and I think you recognise the Government's and the team's effort there. I take no credit for this at all, it has been a team effort in the Department and with local authorities, both on rough sleepers and getting families with young children out of bed and breakfast which has been quite remarkable. It has been highly targeted, very hands-on, it has not cost the earth but there have been resources put behind it. We realise a consequence of the success in those two areas, plus the widening of the priority needs categories, has meant more people going into temporary accommodation. We need seriously to address that now with local authorities, in terms of move-on accommodation, why people cannot take quicker decisions in respect of more stable accommodation as opposed to temporary accommodation. As I say, 82% are in self-contained accommodation, so you have to ask yourself the question. Sometimes it is quite expensive, of course, where they have taken contracts with the private sector, and it is good those dwellings are there, but it would not be possible to simply transfer people and say they can have a tenancy, and of course the rent would be a fortune. So we need to make sure we are working with the DWP and others to make sure they can keep the rents affordable and get people into work as well, although it is not the case that people are automatically out of work if they are in temporary accommodation or, for that matter, if they are rough sleepers. I know rough sleepers who have jobs.

**Q431 Chris Mole:** Just before we move off bed and breakfast entirely, the intention was to get families out of that but they seem to be filling up now with vulnerable, single, homeless—a lot of young people. Do you think it might be appropriate to have a target for eliminating the use of bed and breakfast entirely?

**Lord Rooker:** I would like to say yes. It is the first emergency call on dwellings, and I mean emergency, on an hourly basis if you like, for a local authority, for anybody who is classified as homeless and vulnerable. It is the worst choice, it is probably the most expensive of all the provisions, but it is the very quickest on an hourly basis to action, when you have to make a decision and get someone housing within an hour; it has to be the quickest route. But it is the most expensive and the least satisfactory. Could we eliminate it completely? There are some authorities—and I cannot say whether it is the case now—up until two or three years ago which had never used bed and breakfast accommodation. During the time I was a Member of Parliament for Birmingham, 27 years, I have a feeling they never, ever used bed and breakfast accommodation, they always managed to avoid it, there was always enough accommodation from contact with the private sector and their own dwellings. I know they

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have had recourse to it very recently but given it is the largest authority in England it was quite remarkable. So they have shown you do not necessarily have to go down that route, it does depend on your housing mix. I would like to say we will not use bed and breakfast accommodation, obviously it is an aspiration but it cannot be a target because it would be unrealistic. We have widened categories for vulnerable, young, single people and it is happening there. Overall use is down and in terms of what we have set as a target, families with children, we have had a little blip but we have made it illegal now for it to be used for families in emergencies for more than six weeks. We have the odd one or two back-sliders, as it were, and we are dealing with them. They do not want to be doing this and we have to stay on top of that. We need more housing. The greatest pressure on housing and the greatest area of new household formation in this country—three-quarters of it—is for the single person. So household formation is going far ahead of the population increase.

**Q432 Chris Mole:** Let me come back to family accommodation in London, and test your thinking around the next steps. The ALG told us in evidence that the Better Value Investment Model suggests it is cheaper to provide permanent accommodation rather than temporary accommodation in London. Do you share that view?

**Lord Rooker:** I am sure it is. At the end of the day, providing permanent accommodation, whether in London or anywhere else, is going to be cheaper, if you take the totality of the costs, which includes of course my Department, all the Government schemes and everything else, which do not always get reflected in rent. If you do not take a narrow accountant's look at the cost of building and everything else but take the totality for society, it is always going to be cheaper and I fully accept that. But that does require, to do that, programmes such as Spend to Save and capital investment as well.

**Q433 Chris Mole:** Looking at the problems that local authorities have with hostel accommodation it can be very uneven, with perhaps some authorities taking on the burden of neighbouring areas and taking on homeless people from out of their boundaries. Is there anything the Government can do to ensure the provision is shared out and, where there is a demonstrated need, everyone is taking their responsibility in this area?

**Lord Rooker:** I might be wrong on this. Firstly, geographically, it depends where the hostels are. Secondly, if they are accepted as homeless by a local authority and they happen to be in a hostel in a nearby local authority, I am sure there are arrangements for the transfer of finances. That might be, for some authorities, a very satisfactory way of exporting their problems. We know there have been one or two cases of that in the past where some London authorities have funded properties all over the country without telling other authorities that they have taken arrangements with private landlords to fund their homelessness, and this

happened in the early days of course with asylum seekers before NASS came on the scene. I think it is inevitable because of where boundaries are drawn. Who can say the boundaries of local authorities are going to stay the same, but the hostels are physically going to be built where they are. As far as I am concerned, disputes between local authorities is not a big issue.

**Q434 Chris Mole:** We are a bit worried, we have heard some of the standards are fairly poor, we know the RSL hostels are expected to meet standards but some of the voluntary sector are telling us they are quite worried about where we are asking people to live. Is there anything planned to ensure the ones outside the inspection regime are of an acceptable standard?

**Lord Rooker:** I hope there are none outside the inspection regime, to be honest. It is less than satisfactory. I have been out and visited some—not that many times, I am not making the point I am out all the week, far from it, but I have been to one or two in the London area and in the Midlands of course—but I tend to go to the ones which are well-run. I remember in my old constituency there were one or two where, because of circumstances, the owner approached me as the MP for advice and sometimes I ended up going to the hostel and I was not best pleased with one or two I saw where the conditions were bad. As far as I am aware, there are none which are outside any inspection regime in terms of being suitable. Let us face it, they are not two, three, four-star hotels; they are not good. It is not a good way to live. Settled housing is a much better way to live. Conditions vary, I fully accept that.

**Q435 Christine Russell:** Can I ask you quickly about prevention. Prevention strategies were a key part of the 2002 Act. Is there any evidence that they have been working, or is it more the case, as we were told by Homeless Link I think last week, that what local authorities are doing is becoming tougher gatekeepers and saying, “No, you do not fulfil the criteria, you are not homeless?” I think we were told Westminster, for instance, only accepts one in five of the people coming to them.

**Lord Rooker:** I am not criticising Homeless Link, far from it, they do a very good job—I think we also fund them as well—

**Ms Alafat:** Yes.

**Lord Rooker:** I addressed their annual conference earlier in the year. I am not saying this about any particular local authority but there has been a change of policy on the strategies of prevention. The culture which was built up amongst society was, you go round to the Housing Department with a letter saying you are going to get kicked out and they give you a flat, but that is not the way it works any more. Therefore it might be the local authority has to say to people, “You are not really homeless yet, what is the reason you think you are going to be homeless and can we do anything to help”, and the kind of examples which local authorities have introduced are rent deposit and rent in advance schemes,

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because people say, "I'll be homeless, I haven't got any rent, I can't pay the deposit, therefore I'm homeless, I need a council flat." Another is family mediation—difficult and it would not have been done 10 years ago but it is very effective, professionally done. That is not an excuse, by the way, for us to say, "We do not want you to be homeless, what's the cause?" Sometimes family mediation can actually help the overall family, it is a wider help. Of course, there is the domestic violence work as well, which is taken much more seriously by local authorities.

**Q436 Christine Russell:** Are there any hard statistics you could feed through to the Committee to back up that evidence?

**Lord Rooker:** There is an issue here and it is very awkward to explain without a slide-show. We needed it for yesterday's announcement as well. Yesterday we got these figures of large numbers of family accommodation but the actual numbers of acceptances are going down. The flow is going down but there is a silting up in the temporary accommodation which is too long, which is why we have hit the 100,000 mark. It is early days yet on prevention. I am not going to rely on that too much because we need a few more quarters, but it is three quarters now where acceptances have been down. I have a graph which proves this as well, by the way, which is an ONS graph, not a Department graph. So acceptances are down but the overall figure of 100,000 is the silting up of issues. You can see there is an issue here of acceptances down. We need a longer run and more information on this so I am not going to claim it is a solution. We know around the country there is a lot of, if you like, corporate, local authority-led activity on prevention which we are pushing and which they have got money for, and it is cheaper. I do not see it as a criticism of a local authority, "Oh, you don't want to deal with the homeless, you're doing it to save money". What are they doing to save money? They are keeping families together, they are stopping break-ups, they are maybe helping people with their rent deposit scheme, or stopping them becoming repeatedly homeless, because they might get the same person coming back three or four times and they will think, "There's a problem here, what can we do to help this person?"

**Q437 Christine Russell:** And it is a cheaper option than building new units of accommodation.

**Lord Rooker:** If you are using existing units, yes, but overall we do need more dwellings, that is clear. That is the overall position.

**Q438 Chris Mole:** Do you agree that the intentionality rules perhaps are too harsh or not clear enough, taking into account things like mental health problems? Are there any plans to change the rules and guidance which the local authorities have?

**Lord Rooker:** No. We have given clear guidance on intentionality, which is in the "Homelessness Code of Guidance for Local Authorities" and local authorities have to comply with the legislation. I

have a figure—and I have not come loaded with statistics—during the first half of 2004, applicants found to be intentionally homeless and a priority were in about 5% of all decisions. A national survey of homeless families and homeless 16–17 year olds is taking place in 2005 and that will include homeless households found to be intentionally homeless, so we still have to do some research on this.

**Q439 Chris Mole:** Sorry, is that from the past?

**Lord Rooker:** No, we are doing this in 2005. We have some surveys and new research planned to have a look at this. It is true that intentional homelessness has increased from 2% to 4% between 1997 and 2003, but the number of applicants in priority need increases, so it is to be expected in a way because we are virtually inviting more applicants to apply because of widening the scope.

**Q440 Chris Mole:** So by increasing the priority needs, local authorities are squeezing people out by making them intentionally homeless? Is that what is happening?

**Lord Rooker:** It is a knock-on effect. When you make a policy change, you have to be aware there will be some consequential changes. You are dealing with a huge change. No one single policy or one single change would deal with the issue, so you have to be careful where you operate, so you do not nullify another aspect of the policy objectives or the flow of what is happening in terms of the policy objectives or what is happening in terms of the vision. You have to accept that it is not a failure if, in dealing with one aspect of the chain, the figures go the wrong way round somewhere else. You have to deal with that as a consequence. Basically widening the scope of priority needs was bound to cause more people to be legally classified as homeless, we accepted that as a government.

**Q441 Mr Betts:** One of the concerns which has been raised with us is that different authorities have very wide differences in the way they treat intentionality, and that leads to wide differences in the number of people presenting themselves as homeless. We have been told that Doncaster only accepts 9% of applicants and other authorities accept around a half. Is that an issue which worries you?

**Lord Rooker:** We have not got any robust evidence that local authorities are not assessing their housing needs. They have a duty to provide proper advice to households, including those found to be intentionally homeless, by the way—it is not as though they just shut the door and say, "You're intentionally homeless, off you go". They have a duty to give advice. So we are satisfied that the current legislation provides a safety net but if you have particular examples of local authorities from your evidence, we would be very pleased to hear about it privately rather than in this session, because if the evidence is there we need to have it. Terrie would like to say something.

**Ms Alafat:** There are two issues here. One is; is the guidance clear? and we think it is; but then what happens on the ground? So we are investing in some

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training of front line staff as well. So there is an issue of trying to make certain the people on the ground are consistent, but if there is evidence of certain things going wrong, we would like to know.

**Q442 Mr Betts:** Is there any role for the Audit Commission?

**Ms Alafat:** The Audit Commission does do inspections.

**Lord Rooker:** They do inspections. They are not just inspecting local authorities.

**Ms Alafat:** Our advisers have just done some training of Audit Commission inspectors, so when they do their Audit Commission inspections they have a good understanding of homelessness. So it is something we are taking on board.

**Q443 Mr Betts:** Can I raise one example which I have raised with witnesses earlier, which is the lack of joined-up thinking between homelessness officers in local authorities—and this is an issue of anti-social behaviour—and the tenants who are eventually evicted because they cause hell for their neighbours, and then there is a great row about whether they should be re-housed in another property where they will cause the same problems. Sometimes the homeless people say they should be given a chance and others say they do not want them. What is your attitude to that? Are there cases where people should be told, “No, you are not going to be re-housed, we will take your children into care . . .”

**Lord Rooker:** No, no. You asked these questions of one of my colleagues earlier on. We work very closely with the Anti-Social Behaviour Unit. The

idea, if we can, is to change people’s behaviour rather than change people’s location and then the unacceptable behaviour carries on.

**Q444 Chairman:** That is all right but sometimes that fails.

**Lord Rooker:** It is a failure of the system then.

**Q445 Mr Betts:** It is a failure of people as well sometimes, is it not?

**Lord Rooker:** Sure, but all human life is there. We are the Government and it is our job to solve all these problems. Trying to legislate and make people good neighbours is very, very difficult, if not impossible. There are cases where—and I have not got any figures—the threat of separating the children from the family works, but the fact is the Children’s Act makes it absolutely clear that the priority is the child, not the mother and father and not the neighbours; what is best for the child. That decision, at the end of the day, will be taken by the courts, and will be taken on that basis, what is best for the child. People may not like the decision that is taken as a result of that, but that is what Parliament legislated for in a very robust fashion, simply because of the problems in the past. Mr Chairman, far be it for me to ask, but I have another appointment along the corridor in a few more minutes.

**Q446 Chairman:** I was just about to ask you a series of questions about Supporting People but I thought to myself that this has gone on for quite a long time, and possibly your colleague might come back to answer the Supporting People questions in the New Year. So we will let you escape at this point. Thank you very much for your answers, we will pursue the Supporting People questions later.

**Lord Rooker:** Thank you very much.

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# Written evidence

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## Memorandum by the Countryside Agency (HOM 58)

### SUMMARY

While recorded homelessness in England generally saw significant increases in 2002–03, the largest increase was seen in rural areas (24.2%). In remote rural areas there was a 29.4% increase on 2001–02. However, these figures represent only part of the problem as official records of homelessness do not take account of hidden homelessness, ie those people who, having become homeless, stay with friends or relatives, often in accommodation characterised by insecure and poor living conditions. In rural areas, this is the most common way in which homelessness is experienced, but is largely ignored in traditional measures of homelessness. Therefore programmes to address homelessness should be extended beyond traditional homeless “spaces” and address hidden homelessness. In addition, programmes to meet the needs of homeless people, including the Supporting People programme, need to be rural proofed and delivered flexibly in rural areas. Rural local authorities may need additional help to ensure they are able to identify and address homelessness in their areas.

### INTRODUCTION

1. The Countryside Agency is the Government’s statutory adviser on the English countryside. We aim to make the quality of life better for people in the countryside and the quality of the countryside better for everyone, wherever they live. Our advice and expertise is based on research and demonstration projects, through which we have developed an evidence and knowledge base on housing in rural areas, including homelessness and ways of tackling it.

2. Our response draws on the following three pieces of research: “Preventing homelessness in the countryside . . . what works?”, a guide principally designed for local authorities developing homelessness strategies; “Support and housing in the countryside” which demonstrates innovative solutions to providing supported housing in rural areas, including some types of homelessness provision; and “Estimating homelessness in rural areas: A step-by-step sourcebook of information and ideas”, that offers an alternative methodology to the official headcount of rough sleepers.

3. More recently, we funded a rural case study as part of a Crisis-funded project exploring the nature and prevalence of hidden homelessness and squatting amongst homeless people. The subsequent Crisis publication, “Your place, not mine” highlighted the particular prevalence of hidden homelessness in the rural case study. We also published a research note highlighting the specifically rural findings from this work (copy attached).

4. We currently provide support for 39 Rural Housing Enablers across rural England and we have drawn on their first hand experience of measuring and tracking rural homelessness in this response.

### THE LEVEL AND NATURE OF NEED FOR HOUSING FOR HOMELESS PEOPLE

5. Historically, homelessness has been typically regarded as an essentially urban problem. This is due to two principle factors. Homelessness as it is experienced in rural communities tends to be “hidden”, so there is, for example, less visible homelessness, such as rough sleeping. Second, the dispersed nature of rural deprivation means it is difficult to quantify and is often masked by apparent overall affluence in many rural communities. These factors provide a challenge for policy-makers and practitioners in identifying and addressing needs in rural areas.

6. Our State of the Countryside 2004 report,<sup>1</sup> published earlier this year, showed that homelessness in the countryside was increasing. The recorded rate of homelessness in rural districts is of course much lower than in urban districts, however the report highlights a considerable increase in the number of homeless households in rural areas accepted as priority need, the most significant increase (just under 30%) having occurred in remote rural districts. In addition half of rural families classified as homeless and in priority need were given temporary accommodation compared to about three quarters in urban districts. These figures appear to support recent research which indicates that rural local authorities have difficulties in providing temporary, as well as permanent, move-on accommodation for homeless people and in rural areas there is a greater reliance by homeless people on family and friends to provide support and accommodation.

7. While the percentage growth in the number of homeless households represents a significant increase in rural areas, it follows a consistent upward trend of year on year increases since 1999–2000 (in accessible rural areas there was a small decrease in numbers in 2001–02 before a significant rise in the following year). Notably, between 1992 and 1996, whilst homelessness in urban areas was falling, in rural areas the levels of homeless were increasing. By 2001 rural homelessness had risen from 11% to 19% of the national total.

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<sup>1</sup> The State of the Countryside report is produced annually to provide independent feedback to government on the impacts of policy and broader changes in the countryside.

8. However, these figures do not take account of “hidden homelessness” and what is sometimes referred to as “Sofa Surfing”. Also, whilst rough sleeping is by no means as common as in towns and cities, it does exist in rural areas. However, the official counting methodologies are not suitable measures of need in rural areas and where counts are undertaken the net result is often to underestimate rough sleeper numbers. There are essentially two problems with the headcount method in rural areas. First, not all local authorities are obliged to undertake a headcount, unless there is already a perceived problem and some rural authorities are reluctant to acknowledge homelessness as an issue in their area. Second, rough sleepers can be harder to identify in rural areas, as there are fewer points of concentration. For instance it is common in rural areas for rough sleepers to adopt strategies of concealment to avoid the social stigma that is often more marked in smaller communities.

9. The Homelessness Directorate at the Office of the Deputy Prime Minister accepts that the headcount methodology represents only estimates of the population of rough sleepers and a “snapshot” of need on any given night of the year. Headcounts can provide a useful proxy of rough sleeper numbers in rural areas, but with important caveats. The pre-eminence of rough sleeper counts as a statistical measure of levels of homelessness can serve to reinforce the perception of homelessness as a predominantly urban problem.

#### HIDDEN HOMELESSNESS IN RURAL AREAS

10. Research on hidden homelessness in rural areas shows that people in these circumstances typically suffer poor living conditions, restrictions on movement, have no security of tenure, and are unlikely to have their own room or private space.

11. The report “Your place not mine: the experiences of homeless people staying with family and friends”, commissioned by Crisis and the Countryside Agency, demonstrated that staying with family and friends was a common situation across England but particularly so in rural areas. It also demonstrated reluctance for people staying with family and friends to approach the local authority as homeless. Less than one in four of the respondents in the rural case study (Craven District in North Yorkshire) had been recognised as homeless by the local authority and, therefore, failed to appear in the official homeless statistics. Most notable was the greater likelihood of homeless people in Sheffield, representing an area of low demand for housing in the study, to approach their local authority for assistance than in either the London and Craven case studies, which both represented high demand housing markets. In the Craven case study there was some scepticism amongst the hidden homeless population about the help and assistance they could expect from the local authority, in an area where the social rented sector accounts for only 9.6% of the local housing stock and, at the time the report was published last year, there was virtually no specialist provision targeted at the needs of homeless people.

#### THE SUCCESS OF POLICIES MEETING THE NEEDS OF HOMELESS HOUSEHOLDS IN RURAL AREAS

12. As outlined above, for policy to be fully relevant to the needs of homeless people in rural areas requires more effective methods of identifying and measuring homelessness.

13. Whilst rough sleeping is undoubtedly far less of a problem in rural areas than in urban centres, for the true extent of rough sleeping in rural areas to be identified and measured, the present methodologies for counting homelessness would need to be changed. Current ODPM guidance recommends the identification of homeless numbers to go beyond the “snap shot” headcount, for example by local authorities working more closely with local voluntary agencies. In our view, this should be a requirement on all local authorities and not only those where there is a “perceived” problem.

14. Another problem in many rural areas is the lack of homelessness services and support, which in turn serves to mask need. Without adequate provision, people in need may not present themselves to the local authority in their area or seek help in their own locality. Typically in rural areas there is a dearth of supported housing provision which results in homeless people moving to neighboring urban authorities in order to access the services they require. Supporting People is important in this context in providing services close to where people live and, in particular, ensuring that services are provided where they currently do not exist, which is likely to be the case in many rural areas. The services funded by Supporting People, such as floating support, are particularly important in providing supported housing services in rural areas. The way in which funding for such services is distributed is important and we welcome the recent ODPM briefing paper, “Proposals for Developing the Supporting People Distribution Formula”, published this month, which includes a measure of the relative differences in cost generated by rurality.

15. The lack of temporary and permanent move-on accommodation for homeless people has serious implications for homelessness levels in rural communities (and will have an impact on nearby urban authorities as homeless people move to the towns for support and housing). The adequate supply of affordable housing is of course of primary importance, particularly the availability of social housing to rent, whose numbers in rural areas have declined radically under Right-To-Buy legislation. It is therefore essential that rural authorities have the ability to develop appropriate levels of this provision and to retain that stock in perpetuity.

16. In addition, the supply of affordable homes affects the ability of rural local authorities to fulfil their responsibilities under the Homelessness Act 2002. Recent legislation restricting the number of weeks local authorities can house families in temporary accommodation will also be difficult to achieve in rural areas where there is a limited amount of social housing available. Rural local authorities are looking at innovative ways to address the problem, for example repairs to empty homes, using private sector homes to accommodate temporary homeless applicants through voluntary agreements with homeowners etc, but these are often limited in scale and do not necessarily meet the support needs of homeless people.

#### CONCLUDING REMARKS

17. Official homelessness statistics only partially reveal numbers of homeless people. If policies are to be effective in tackling homelessness in rural areas there first has to be an acknowledgment of the phenomenon of hidden homelessness and more effective means of measuring and addressing this problem. At the same time traditional measures of homelessness should be updated to reflect rural circumstances. Policies such as Supporting People need to be properly rural proofed and we welcome the recent consultation paper on the Supporting People Distribution Formula, which proposes to better reflect additional rural costs. Finally, appropriate levels of affordable housing retained in perpetuity, will ultimately determine the success of any measures in rural districts that seeks to address homelessness.

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#### Memorandum by Friary Drop-In Ltd (HOM 59)

This response covers only those areas about which the Friary Drop-In has direct knowledge or experience. The evidence offered suggests that, month by month, more homeless persons are prevailing upon the services of this charity; that direct access to housing is more restricted; that the provision of affordable housing is not a priority for the local authority; that the complexity of homelessness is often not appreciated; that valuing the services of the voluntary sector and developing partnership will strengthen local authority housing and homeless strategies; that supporting especially vulnerable tenants is essential and, where available, is effective; that prevention of homelessness requires early and appropriate intervention and the confidence of those receiving it.

#### 1. THE OVERALL LEVEL AND THE NATURE OF NEED FOR HOUSING FOR HOMELESS PEOPLE

Demand for housing is increasing.

Direct access to housing is more restricted particularly for people with special needs eg a history of or enduring mental health or addiction issues.

Needs arises through family break up, release from imprisonment, young people leaving Care, a history of indebtedness leading to eviction, asylum applicants, people fleeing violence.

The need is always urgent, it is for affordable housing, it is for housing near to support networks, family ties or drop-in centres, and it is for good transport communications.

Whatever the policies being pursued the evidence is of individuals and families continuing to be frustrated in their attempt to find appropriate and secure housing. Those who are not listed as high priority are especially disadvantaged.

#### 2. THE ADEQUACY OF INVESTMENT IN HOUSING FOR HOMELESS PEOPLE AND THE QUALITY OF ACCOMMODATION AVAILABLE TO THEM

The evidence is of very modest targets for investment in housing accessible by homeless persons. Within the local authority there appears to be little acknowledgement of the degree of need.

The quality of available housing is generally poor. It is provided largely by private landlords who show little inclination to improve the properties occupied.

Housing associations are not sufficiently funded to allow them to purchase and upgrade properties.

Pressure on local (Rushcliffe) housing provision is regularly transferred to the neighbouring (Nottingham) City Council.

We observe that poor quality of housing exacerbates already poor mental health and quality of life and that the cost of heating what is often badly insulated and aging housing adds an extra burden to those reliant on benefits.

The offer of accommodation does not take into account critical factors such as nearness to support systems for vulnerable persons and their need to be located where they can expect to be free of victimisation or anti-social behaviour.

### 3. WHETHER NON-HOUSING SERVICES PROVIDED FOR HOMELESS PEOPLE ARE ADEQUATE AND ARE CO-ORDINATED WITH HOUSING PROVISION

Non-housing services are not adequate but constantly aim to be. Elements of health, legal and benefits advice, debt counselling, probation care and social (Drop-In or local centre) facilities and agencies are in place from both statutory and voluntary sectors but struggle to meet the demands upon time and resources. The Supporting People initiative is observed to bring considerable advantages to particularly vulnerable tenants and their ability to sustain tenancies. There is generally constructive cooperation and coordination between agencies but the voluntary sector provision, to which many homeless persons are drawn because seen as non-threatening and free of statutory restrictions, requires greater professional recognition and true integration in local authority housing and homeless strategies.

### 4. WHETHER PUBLIC AGENCIES ARE EFFECTIVE IN PREVENTING PEOPLE BECOMING HOMELESS

Prevention of homelessness is complex and depends upon the opportunity for intelligent and appropriate intervention. It is essential that early warning signs of failure to maintain a tenancy be not overlooked so that, for example, the accumulation of debt or the breakdown of health or family relationships receives attention before further crisis is reached. Where there is family breakdown, courts are not obliged to protect the interests of the remaining lone parent whose only alternative to the family home may be a sequence of temporary accommodation. Particular and peculiar circumstances characterise homelessness including a person's limited abilities or failure simply to meet society's expectations of responsible actions. The best efforts of public agencies sometimes meet with resistance or lack of cooperation simply because they signify authority and imply compliance with it in the homeless person's logic about their situation.

*Rev Duncan Wilson*

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## **Memorandum by the Association of London Government (ALG) (HOM 60)**

### SUMMARY

This paper sets out the ALG's evidence to the Select Committee's Homelessness Inquiry. It addresses the key issues outlined in the brief, highlighting issues that are of importance to London and indicating changes suggested by London boroughs. Key points made include:

- The sharp fall in the supply of permanent social housing for new tenants has meant that the number of homeless people in temporary accommodation in London has more than doubled in the last seven years even though the proportion of net supply to the homeless has been increased to undesirably high and unsustainable levels.
- Local authorities were able to deliver on the well chosen Government objective of ending homeless families living in B&B accommodation because:
  - The funding regime for alternative (leased) temporary accommodation was sufficiently secure for long term partnerships with private sector supply.
  - With a national framework there was sufficient discretion locally to enable local market opportunities to be fully exploited in a range of innovative ways.
  - The resultant target was clear and came with a realistic timescale for achieving it.
- On the average the quality of temporary accommodation has improved greatly. However most of it, notably the short-term leased housing is expensive. The huge backlog of temporary accommodation in London means that there is no operational benefit and many serious risks in having so much short-term housing.
- Replacing half London's total of the temporary accommodation with permanent housing would save £3 billion in present value terms over the long run (APPENDIX A).
- The output of new social rented housing in London is lower in the late 1990s.
- It is striking that the proportion (in numbers of homes) of the Housing Corporation funded social rented output in London has fallen from over 75% to under 50% over a period when temporary accommodation numbers have doubled in London.
- One way of restoring social rented output levels within the constraints imposed by the emphasis on key workers would be to incentivise local authorities in "high demand" areas to provide RSLs with funding to develop affordable housing (APPENDIX B).
- Better value for money and lower temporary accommodation numbers could be achieved by properly supporting schemes eg the LAWN project which help people move voluntarily from high demand areas to areas of low demand (APPENDIX C).
- The relatively successful implementation of the de facto extension of the priority need groups by the Homelessness Act 2002 would be threatened if Supporting People funding for housing for vulnerable people were to be significantly reduced.

- London boroughs have worked together eg on projects such as NOTIFY to improve service delivery to the homeless persons in temporary accommodation.
- There is scope for more effective homelessness prevention targeted on local market opportunities. It can be highly cost effective but it is by no means free.

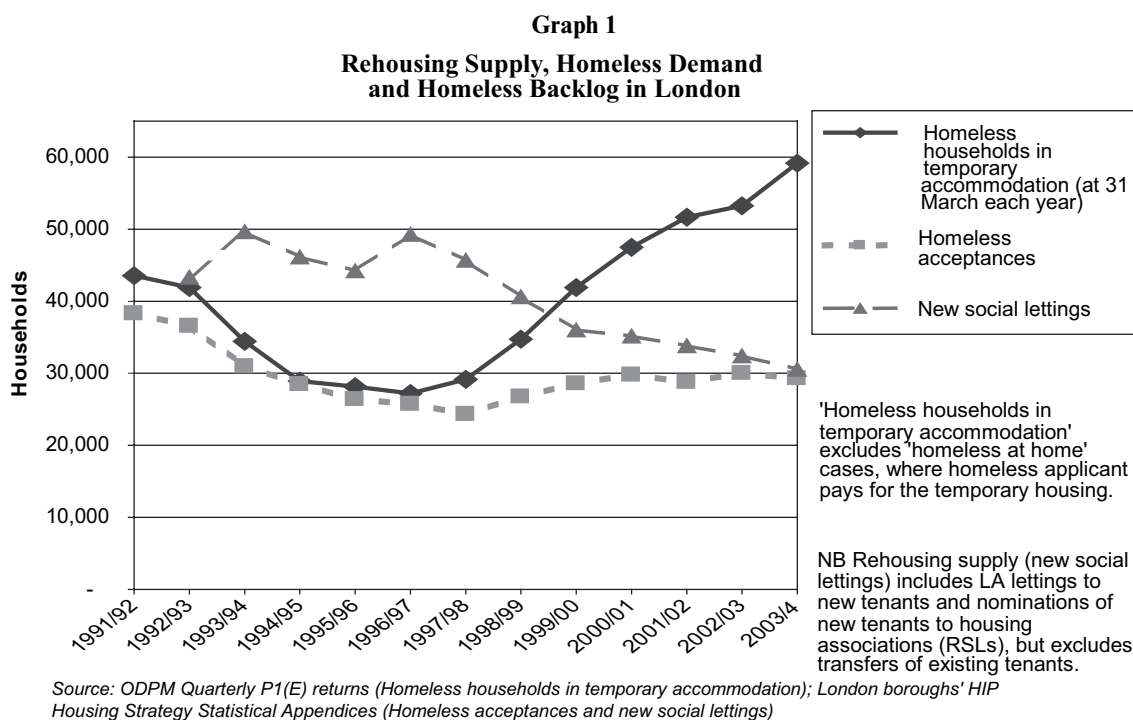
#### KEY ISSUES RAISED BY THE ODPM SELECT COMMITTEE

##### 1. The overall level and nature of need for housing for homeless people

1.1 Since 1996–97 the number of households placed in temporary accommodation in London has more than doubled to an all time high. Graph 1 below shows that the rate of acceptances of homeless applications across London has not changed dramatically over the last decade despite a significant extension of the priority needs categories by the Homelessness Act 2002.

1.2 The total supply of new social lettings available to local authorities including nominations to housing associations (RSLs) has fallen by a third over the last decade to close to 30,000 in 2003–04. The proportion of the available supply going to the homeless has increased since the mid 1990s in part offsetting the fall in supply. Nonetheless the annual lettings to the homeless have fallen by almost a quarter.

1.3 The steady rise in temporary accommodation use in London over the last seven years has therefore been driven mainly by the fall in the supply of permanent social housing.



##### 2. The success of policies meeting the needs of homeless households

2.1 Government priority on ending of the placement of families with children in B&B accommodation by April 2004 was well aimed at those in the greatest need.

2.2 It was successful largely because:

- there was a broad consensus that the use of B&B was highly undesirable;
- it was achievable because there was future certainty in the funding regime for temporary housing alternatives to B&B hotels to a large extent short-term leasing from private owners;
- the market was such that private owners were interested in short-term leasing deals;
- a reasonable time-frame was given to local authorities, and additional resources were made available to develop alternatives (although deadline pressure and the constraint on resources has lead to a certain emphasis on measures with a quick short term return); and
- whilst there was a national framework with a clear national target, local authorities had adequate discretion to find the optimal local delivery solution.

2.3 ODPM's Homelessness Directorate actively encouraged local authorities not only to identify alternative sources of temporary accommodation, but also to develop prevention activity. The provision of additional funding to support this shift enabled many local authorities to develop new initiatives aimed at

increasing housing options. There have been some very successful schemes such as rental deposit schemes, which have helped people on low incomes gain access to the private rented sector as an elective alternative to applying as homeless.

### *3. The adequacy of investment in housing for homeless people and the quality of accommodation available to them*

3.1 The high level of certainty offered by the present funding system for temporary accommodation made available by the Department for Works and Pensions (DWP) through housing benefit, has worked. It has enabled boroughs to use effective partnerships with housing associations (RSLs) and private landlords in order to house homeless families in relatively good standard private rented accommodation typically leased by the local authority or by an (RSL) for up to five years.

3.2 Whilst this short term leased housing is highly preferable to B&B accommodation, it is still a short term solution. With a growing backlog there are severe medium-term risks if the leasing market becomes more difficult. In the longer term it provides poor value for money.

3.3 ALG and boroughs have suggested that replacing the temporary housing with permanent housing would make economic sense as shown by the analysis in the “Better Value for Investment” proposal (APPENDIX A).

3.4 The severity of pressures at lower income levels was indicated by the Barker report finding that 80% of the national annual shortfall in housing was in “affordable housing” (ie social housing and intermediate housing including key worker housing).

3.5 Unfortunately the output of social rented housing by RSLs in London has declined since the late 1990s when it exceeded 6,000 per annum. It has now declined to below 5,000 per annum. It is expected to be around 5,000 per annum over the next two years. There are a number of factors here including:

- Future restrictions on the rate of rent rises increasing the grant per dwelling.
- A switch away from social rented homes towards low cost home ownership.
- The ending of the Local Authority Social Housing Grant programme by ODPM in 2003 which produced over 1,000 social rented dwellings a year in London.

3.6 Without the Local Authority Social Housing Grant programme it is much more expensive for local authorities to fund RSLs to develop more affordable housing. ALG suggests that a “Revenue Incentive Scheme” to encourage local authorities to fund RSLs in high demand areas would more than repay its costs through a reduction in temporary accommodation costs (APPENDIX B).

### *4. Factors affecting the successful implementation of the Homelessness Act 2002*

4.1 The Act required councils to produce homelessness strategies. This has been relatively successful again because of a reasonable lead-in time and because ODPM made available some resources.

4.2 Another consequence of the Act has been more homeless single people accepted as being vulnerable, in priority need and hence entitled to accommodation. Councils have been assisted in responding to this trend by a Supporting People regime which has funded support in their homes and homelessness prevention services.

4.3 However the recent Supporting People statement has announced a requirement for local authorities to make efficiency savings of 5% on average and up to 7.5% (in 2005–06). If in addition Supporting People resources are shifted away from areas of high homelessness demand, as seems very possible, it would jeopardise this success. In London some 25–30% of Supporting People funding goes to projects with a significant homelessness dimension.

### *5. The location of provision for homeless people relative to where they live*

5.1 Most homeless households wish to be rehoused locally. Investment in housing needs to reflect this preference, and should not seek to coercively “export” homeless households to low demand/cheaper areas. Whilst there are short-run savings here, it would not help create sustainable communities in the long-run. Housing investment location should reflect the geographical requirements of Londoners as well as the size and affordability needs for accommodation.

5.2 Extending housing mobility is welcome where this is driven by choice. There is considerable scope to help people move voluntarily from high demand to low demand areas, ALG hosted a pilot project (the LAWN scheme) which helps homeless and other priority applicants move from areas of high to low demand. This initiative—now part of the Housing Employment and Mobility Scheme (HEMS)—allows homeless households greater mobility and choice in the location of permanent rehousing and saves considerable public expenditure.

5.3 Unfortunately there has not been adequate incentives from ODPM to develop the such moves scheme despite the large public expenditure benefits of reducing the cost in high demand areas of providing temporary accommodation for the backlog of homeless acceptances. The recent Prime Minister's Strategy Unit London Project report highlighted the benefits of initiatives such as the LAWN scheme.

5.4 The attached note "Public Expenditure Implications of LAWN moves" (APPENDIX C) points to savings over 30 years with a present value of £1.7 billion from just 1,000 LAWN moves annually from high to low demand areas.

#### 6. Balance of public investment in housing for key workers and homeless people

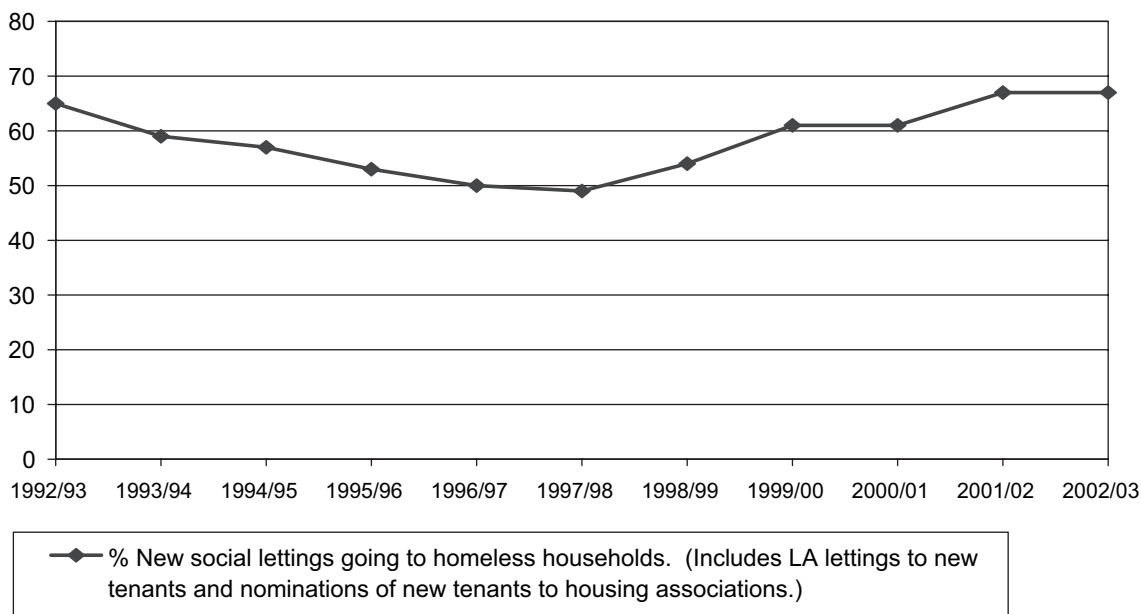
6.1 Only 48% of the total output of the Housing Corporation's scheme approvals for new RSL housing in 2004–05 and 2005–06 is for social housing. Two thirds of the remainder of the output is for key workers.

6.2 As recently as 2001–02 over three quarters of the output from the Housing Corporation programme in London was for social rented housing. Whilst there is clearly a serious need for key worker housing, there has not been any analysis which demonstrates why the balance should be shifted so dramatically away from social rented output.

#### 7. Priority for the homeless within the overall allocation of social housing

7.1 The pressures to reduce the use of temporary accommodation in these circumstances has led to around two in every three of lettings to new tenants in London going to homeless households as is shown in Graph 2 below.

**Graph 2**  
**% New social lettings going to homeless households in London**



Source: London boroughs' HIP Housing Strategy Statistical Appendices

7.2 Many lettings eg sheltered housing, one bedroom homes are not suitable for most homeless. The share of suitable lettings going to the homeless is higher than above.

7.3 With over 60,000 households in temporary accommodation in London and the numbers and costs growing, it is entirely understandable that the proportion of new lettings going to the homeless is so high. Nonetheless it is highly undesirable on needs grounds alone. There are over 60,000 severely overcrowded households in London and the number is growing by over 2,000 per annum.

7.4 Further it is not desirable that such a high percentage of lettings should be going to a single applicant group. That group has a large number of young children which if there are too many will tend to increase the child density above desirable levels for housing management purposes. Homeless families tend to be poor. Rehousing mostly homeless families will reduce the degree of social mix on estates.

7.5 Giving other needs a larger share of lettings and preserving a reasonable social mix on estates requires a larger affordable housing supply. Otherwise better meeting other needs would only result in the numbers in temporary housing rising more rapidly.

8. *Whether the non-housing services provided for homeless people are adequate and are co-ordinated with housing provision*

8.1 The NOTIFY project is an excellent example of local authorities working together across departments and in partnership with the Primary Care Trusts, to ensure that homeless households receive the support services they need.

8.2 There is scope to do more by way of facilitating the return or entry to work for homeless persons whilst they are in temporary accommodation. This would have a range of personal and social benefits and offer potentially substantial financial advantages for the public purse.

9. *Whether public agencies are effective in preventing people becoming homeless*

9.1 The ODPM's support for homelessness prevention initiatives has enabled local authorities to increase their emphasis on homelessness prevention. The funding for new prevention schemes is invaluable as homelessness prevention activity can be costly for local authorities.

9.2 Whilst it is not feasible to precisely quantify the long term effectiveness of various homelessness prevention schemes, it is generally felt that homelessness prevention schemes are very cost effective. Furthermore, providing alternative housing options for people who are homeless or threatened with homelessness can be beneficial the persons both socially and financially.

9.3 Initial indications from the evidence available to the ALG is that there are considerable variations in the effectiveness of different schemes dependent on local market conditions in different areas.

9.4 It is also possible that the schemes which work most cost effectively will change over time. For instance at the moment the slack private rented market demand over the past year has benefited schemes seeking to offer private rented accommodation as an alternative housing option.

9.5 It is vital that those responsible for developing and funding homelessness prevention schemes have an eye to the wider economic situation and maintain the flexibility to adapt to changes as they affect different local housing markets and otherwise.

## APPENDIX A

### ACHIEVING BETTER VALUE INVESTMENT FOR THE HOMELESS

#### KEY POINTS

1. With over 60,000 homeless households placed by London borough in temporary housing, the capital has over 60% of the almost 100,000 homeless households placed in temporary accommodation in England. The backlog in temporary accommodation is already so great that persons going into it face, on average in London, a wait not far short of three years.<sup>2</sup>

2. Over half London's temporary accommodation placements are from private owners mainly leased for three to five years by local authorities (private sector leasing schemes—PSLS) or housing associations on behalf of councils (housing association leasing schemes—HALS).

3. The analysis in this report shows that providing permanent housing is much better value for money than providing temporary housing. The present value of public expenditure needed over 30 years for 1,000 temporary accommodation dwellings could fund almost 1,400 such homes if they were permanent homes.

4. The present value of saving from replacing temporary with permanent housing for 30,000 families would be £3 billion. If numbers in temporary accommodation were assumed to grow at 3,000 pa and replaced with permanent housing the present value of long term savings would rise to £7.3 billion.

5. There are net costs in the early years under an equal payments option for funding permanent housing, but the savings accrued in later years more than offset the early costs (APPENDIX 2). Under a no net cost in any one year option (APPENDIX 3) the present value of the savings would be about 75% of the equal payments option. The analysis uses London figures but other high demand areas are likely have comparable results.

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<sup>2</sup> From ALG analysis of Housing Strategy Statistical Returns from London boroughs for 2003.

6. The savings arise because for a number of reasons including the fact that:
- With short term leases local authorities are paying for flexibility that they do not need with tens of thousands in temporary accommodation.
  - Local authorities and RSLs typically have access to cheaper loan finance.
  - Local authorities have high transactional costs with short term agreements.
  - With property prices rising long term, deferring purchase has no benefits.
7. The results are true irrespective of whether the permanent homes are acquired on the open market or built from new. It is usually cheaper to build from new but it takes longer, and, in this case, time really is money. In this case there may be advantages in acquiring if it is feasible some of the properties being used on short term leases if they are suitable. In any case there would be no net increase in demand on the property market.
8. The costs of temporary accommodation used do not include the often very substantial indirect and non-cash costs arising such as costs to other public services and social exclusion costs to the families concerned and the areas they are temporarily placed in.
9. There are other advantages to providing permanent accommodation. It gives certainty to the tenants. It allows tenants to be charged normal social housing rents and not the high rents of up to £300 per week that some tenants in temporary accommodation can face in higher cost areas of London. That would greatly help tenants wanting to get back to work.

## 1. INTRODUCTION

1.1 This analysis compares the costs of temporary and permanent housing in London to quantify the “better value investment” case for investing in permanent accommodation and saving on costs currently generated by the unprecedented high usage of temporary accommodation in London.

1.2 The report outlines the scale of the temporary accommodation backlog faced by homeless persons in London (section 2).

1.3 The analysis considers the costs associated with short term leased temporary accommodation which houses over 30,000 households in London<sup>3</sup>. It goes on to compare the direct cash costs of providing temporary and permanent accommodation (section 3).

1.4 Sections 4 and 5 look at the indirect and wider social costs of temporary housing.

1.5 Some of the implications of investment in permanent housing as a long-term solution to this problem are reviewed in section 6.

## 2. BACKGROUND

### *Homeless demand and homeless backlog in London*

2.1 London currently has over 60,000 homeless households in temporary accommodation under the Housing Act 1996.

2.2 The backlog in temporary accommodation is already so great that persons going into it face, on average in London, a wait of more than two years<sup>4</sup>.

2.3 In London in recent years temporary accommodation numbers have climbed by 5,000 per annum on average<sup>5</sup>. This is almost a quarter of the annual number of permanent lettings to the homeless. It will therefore require a major change in supply and/or demand to arrest this rise still less reduce the numbers in temporary accommodation.

2.4 Most households in temporary accommodation in London live in housing leased short term—typically for three to five years—from private owners by local authorities (private sector leasing schemes—PSLS) or housing associations on behalf of local authorities (housing association leasing schemes—HALS).

### *Rehousing supply and numbers in temporary accommodation*

2.5 The supply of new lettings in affordable housing has fallen sharply over the last four years. Graph 1 illustrates the relationship between rehousing supply, homeless demand and homeless backlog in London over the 12 years from 1991–92 to 2003–04.

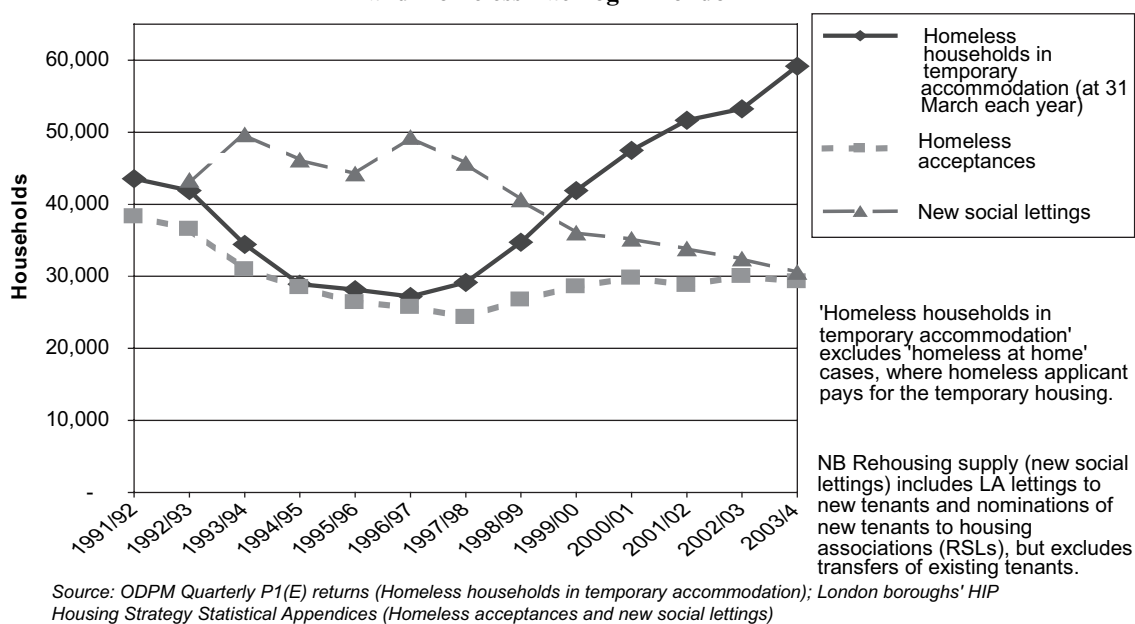
<sup>3</sup> Figure from the GLA July 2004.

<sup>4</sup> From ALG analysis of Housing Strategy Statistical Returns from London boroughs for 2003.

<sup>5</sup> From GLA Homelessness Bulletins. These figures include households who are “homeless at home”.

Graph 1

Rehousing Supply, Homeless Demand and Homeless Backlog in London



2.6 Total new social housing lettings in 2003–04 in London, including nominations to housing associations were roughly the same as homelessness acceptances by London boroughs<sup>6</sup>. There are of course other demands on that supply even if all the supply was suitable for the homeless which it is not for reasons of size etc. Hence there is little scope to reduce the numbers in temporary accommodation from a redirection of supply. If we are considering how many households are likely to be in temporary accommodation in the future it would therefore be unrealistic on present plans to expect the supply of permanent lettings to rise sharply. This is particularly true for high demand areas where there is little scope to direct a higher proportion of the permanent housing supply to the homeless. On average London boroughs already use 65% of net lettings to house the homeless<sup>7</sup>.

2.7 London is expecting an average of 5,000 new social rented approvals from the Approved Development Programme (ADP) plans for the next two years (2004–05 and 2005–06)<sup>8</sup>. This is not very different from previous trends. Without a sharp fall acceptances it would be unrealistic to assume that the numbers in temporary accommodation would not continue to rise. The backlog would remain.

The housing market

2.8 London and other areas of high demand have been experiencing severe affordability pressures in the housing market. These severe affordability pressures will tend to keep social housing relets, the main source of supply, at a low level. They will also increase homelessness demand.

2.9 In her report on the review of housing supply, into housing supply commissioned by Gordon Brown<sup>9</sup>, Kate Barker highlighted that the trend rate of real UK house price growth has increased to 2.7% per annum over the last 20 years. This 20 year period includes the rare period in the late 1980s when many property prices fell.

2.10 As a consequence of dwelling prices rising faster than overall prices, it is a lot cheaper for the public purse to own property in London rather than rent it over a long period of time—the public sector equivalent of owner occupiers getting their foot on the property ladder.

2.11 The balance of advantage for owning rather than renting is now even greater in London because a large number of London households, priced out of owner occupation, are increasing demand and hence rents in the private rented market. This has the effect of pushing up the costs of short term leasing schemes for homeless households.

<sup>6</sup> From ALG analysis of Housing Strategy Statistical Returns from London boroughs for 2004.  
<sup>7</sup> From ALG analysis of Housing Strategy Statistical Returns for 2003 from London boroughs. Average excludes local authorities with no HRA stock and Corporation of London.  
<sup>8</sup> Housing Corporation figures following the ADP announcements of March 2004.  
<sup>9</sup> Delivering stability: securing our future housing needs' published March 2004.

2.12 Recently London rentals have “softened” partly because of excess “buy to let” supply. This can be expected to leave many “buy to let” owners anxious to leave the market providing a good supply of average or below average dwellings for sale. There are also low interest rates. In short, there may be an unusually favourable financial opportunity for switching from a short-term to long-term financial regime for the housing currently occupied by homeless households.

### 3. ANALYSIS OF DIRECT COSTS

3.1 The analysis compares the costs of using temporary accommodation and providing permanent affordable housing through housing associations over a 30-year period.

3.2 The analysis focuses on two types of temporary accommodation with associated high costs:

- private sector leasing schemes (PSLS); and
- housing association leasing schemes (HALS).

These forms of temporary accommodation were being used to house over 31,000 households in London as at July 2004<sup>10</sup>. Costs for both accommodation types are broken down into different bedroom sizes and compared to the costs of equivalent-sized permanent accommodation.

3.3 The summary of the financial analysis for each bedroom size is shown in APPENDIX 1, Tables A and B. These tables assume that Government grant is paid in equal instalments over a 25 year period.

3.4 The indicated current value (present values) of the extra costs per household over 30 years of temporary accommodation for a three-bed household are ~£100,800 for leased housing.

3.5 In Table A the differences in the present value figures for each bedroom category are weighted using the incidence of the use of bedroom categories as at January 2004. This analysis indicates that the present value of the total additional revenue costs from the use 30,000 short term leased temporary accommodation could be over £3 billion.

3.6 The numbers in temporary housing are currently increasing by about 5,000 pa. If, however, there is some reduction on present acceptance levels and some additional social rented housing output above the present levels, the rate of increase in the numbers in these types of temporary accommodation could fall.

3.7 Table B looks at the scenario of an annual increase in households PSLS/HALS temporary accommodation of 3,000 pa. This table indicates that the present value of the total additional costs of temporary accommodation could be ~£7.3 billion.

3.8 APPENDIX 2 shows the net savings and costs when replacing a temporary accommodation arrangement with a permanent one for three bedroom private sector leasing (PSL) if the grant input on the permanent funding is of equal annual amounts. There are net costs in the early years, although the savings in later years far outweigh the early years’ costs.

3.9 If the payments on permanent housing are constrained so that there is little or no net cost in any one year, the pattern would look more like APPENDIX 3. It shows the savings over time to be gained on a three-bedroom leased property. There would be rolled up interest for the first 10 years. We assume that all the grant has to be paid by year 25 to provide a comfort zone of five years at the end of the 30 year analysis period. The present value of the savings would be around 75% of the present value of the savings in APPENDIX 2.

### 4. INDIRECT COSTS TO PUBLIC SERVICES

4.1 The analysis still in fact understates the additional costs of the temporary accommodation options. As well as the direct financial costs of the housing, the use of temporary accommodation has an enormous impact on the people being housed in that sector and a cost to the other public services in that area.

4.2 The additional costs temporary accommodation usage imposes on other public services include:

- Extra costs on the NHS especially from families in high density shared accommodation.
- Extra costs on schools having to deal with higher levels of pupil mobility.
- Extra support costs eg on social services arising from the disruption of support from family and friends on moving when placed in temporary accommodation.

### 5. SOCIAL EXCLUSION COSTS

5.1 Homeless families very often have unsettled lives at the point of applying to the local authority and would therefore be a highly socially excluded group—those without any place to call home. Temporary accommodation adversely affects its occupants. This is clear-cut if conditions are bad, such as in B&B hotels, but uncertainty of length of stay is also a problem irrespective of the physical quality of the housing.

<sup>10</sup> Figure from the GLA July 2004.

5.2 Living in temporary accommodation reduces the likelihood of the household finding employment. One factor is the high costs of temporary accommodation which often make the working option an uneconomic one. Other factors include the uncertainty and instability implied by temporary accommodation.

5.3 The uncertainty of length of stay is damaging not only for households individually, but can be for the neighbourhoods where they stay. High levels of transience and less inclination to get involved (given the uncertainty over the length of stay) do not assist social cohesion in their local community and high levels of temporary accommodation use in particular areas of the capital threaten the stability of the whole area and place a huge strain on the public services in those areas.

## 6. IMPLICATIONS OF ADDITIONAL PERMANENT AFFORDABLE HOUSING

6.1 The analysis shows that permanent affordable housing represents better value for money in public expenditure than continued revenue support for temporary accommodation. The homeless applicant could in some cases even stay in the same property if it was suitable and the owner was willing to sell instead of leasing short term.

6.2 The analysis shows that, assessed over 30 years, the cost of permanent housing is considerably less than the cost of providing temporary housing. The savings are such that the public expenditure needed over 30 years for 1,000 units of temporary accommodation would fund 1,360 permanent homes.

6.3 The additional homes can be funded from savings made by replacing temporary housing with permanently funded accommodation. The extra social rented housing would enable the growing problem of overcrowding and other housing need problems to be tackled and could reduce the number of households presenting as homeless. It could also enable a broader range of households to be rehoused on estates. This would help meet the objectives of a balanced community.

6.4 The analysis uses London figures but it is likely that in other high demand areas, the direction of the results of the analysis would be the same.

6.5 There are other advantages to providing permanent accommodation as well as financial. It gives more long-term certainty to the tenants. It also allows tenants to be charged normal social housing rents and not the very high rents of up to £300 per week that some tenants in temporary accommodation can face in higher cost areas of London. That would greatly help tenants wanting to get back to work.

## 7. CONCLUSIONS

7.1 Unless there are dramatic changes, the numbers in, and cost of, temporary accommodation will continue to grow steeply.

7.2 It is a lot cheaper for the public purse in London to own property than rent it. This is the public sector equivalent of owner occupiers getting their foot on the property ladder.

7.3 This might not be the case if there was no guaranteed need for the housing. However, in London there clearly is the need for tens of thousands more social dwellings.

7.4 There would be wider savings and other benefits to public services on top of the public expenditure cash savings from reducing temporary accommodation usage.

7.5 There is an unusually favourable financial opportunity for switching from a short-term to a long-term financial regime for the housing currently occupied by homeless households.

7.6 Given the social case for providing permanent homes as part of tackling social deprivation, social exclusion and child poverty, there is a very strong case for acting quickly.

Association of London Government

*September 2004*

**Annex**

## ASSUMPTIONS USED IN BETTER VALUE FOR INVESTMENT MODEL

1. The model currently assumes costs of permanent accommodation at purchase and repair levels rather than new build levels. The value for money case is clear irrespective of whether permanent homes are acquired on the open market or built from new. It is generally cheaper to build from new but it takes longer, and, in this case, time really is money.

2. We have assumed that registered social landlords (RSLs), as opposed to local authorities, would deliver additional permanent supply. Therefore, the permanent side of the model is based on RSL costs rather than local authority costs. Local authority costs (eg major repairs allowance [MRA] and management and maintenance allowance [M&M]) could be inserted into the model in the place of RSL costs.

3. The value for money analysis assumes that tenants will be charged normal social housing rents. In order for this to be viable for a RSL, the model assumes that the RSL pays interest only on its loan. The RSL would then need to be able to sell the property and the end of the loan period and would expect to be required to recycle grant.

4. To put the model into practice would require a lead in time for purchase of multiple properties. Similarly there would be a subsequent time lag in the RSL receiving rental income. It is suggested that RSLs would need to assume a 12 month period to purchase properties and should assume only 50% of rental income in year 1.

## APPENDIX 1

**Table A**

ESTIMATED EXTRA COSTS OF PROVIDING TEMPORARY ACCOMMODATION (compared to providing permanent housing)		
Assumed annual increase in households in PSLs and HALS:		0
No of years grant is spread over (in equal instalments):		25
<i>TA type and size</i>	<i>Present value of the cash cost over 30 years</i>	<i>Present value of the cost per home over 30 years</i>
1 bed PSLs/HALS	£317,212,040	£95,095
2 bed PSLs/HALS	£1,440,116,080	£103,238
3 bed PSLs/HALS	£1,100,464,835	£100,803
4 bed PSLs/HALS	£168,998,603	£92,882
5 bed PSLs/HALS	£42,247,867	£139,317
<b>Total Cost of PSLs/HALS in London</b>	<b>£3,069,039,425</b>	

*Notes:*

This table is a summary of the relative cost of temporary accommodation to permanent accommodation over a 30-year period for the numbers in B&B/annexes and private sector leased/housing association leased accommodation as at January 2004.

It is broken down by bedsize and shows the total of the relative cash cost per bedsize and type multiplied by the numbers in that form of temporary accommodation and the proportion of people in that bedroom category.

The table shows the total cash costs of temporary accommodation for B&B/annexes and private sector leased/housing association leased accommodation. It then gives the total for London.

It is assumed that the permanent accommodation is funded by a government grant at 40% of the total houseprice (at purchase and repair levels) and that this grant is paid in equal amounts over 25 years.

**Table B**

ESTIMATED EXTRA COSTS OF PROVIDING TEMPORARY ACCOMMODATION (compared to providing permanent housing)		
Assumed annual increase in households in PSLs and HALS:		3,000
No of years grant is spread over (in equal instalments):		25
<i>TA type and size</i>	<i>Present value of the cash cost over 30 years</i>	<i>Present value of the cost per home over 30 years</i>
1 bed PSLs/HALS	£802,872,804	£95,095
2 bed PSLs/HALS	£3,484,319,192	£103,238
3 bed PSLs/HALS	£2,557,169,003	£100,803
4 bed PSLs/HALS	£374,671,059	£92,882
5 bed PSLs/HALS	£92,366,773	£139,317
<b>Total Cost of PSLs/HALS in London</b>	<b>£7,311,398,831</b>	

*Notes:*

This table is a summary of the relative cost of temporary accommodation to permanent accommodation over a 30-year period for the numbers in B&B/annexes and private sector leased/housing association leased accommodation as at January 2004.

It is broken down by bedsize and shows the total of the relative cash cost per bedsize and type multiplied by the numbers in that form of temporary accommodation and the proportion of people in that bedroom category.

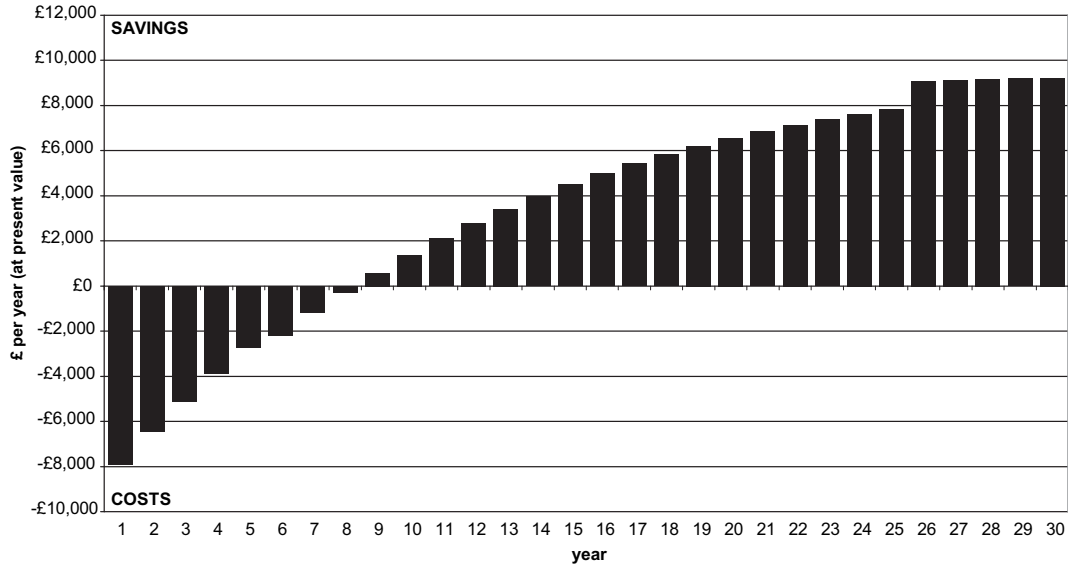
The table shows the total cash costs of temporary accommodation for B&B/annexes and private sector leased/housing association leased accommodation. It then gives the total for London. It is assumed that the permanent accommodation is funded by a government grant at 40% of the total houseprice (at purchase and repair levels) and that this grant is paid in equal amounts over 25 years.

**APPENDIX 2**

**BETTER VALUE INVESTMENT**

**Savings over time of Replacing a 3 Bedroom Leased Property with a Permanent Home**

*In this scenario, it is assumed that the Government grant to assist with purchase is spread in equal amounts over first 25 years)*

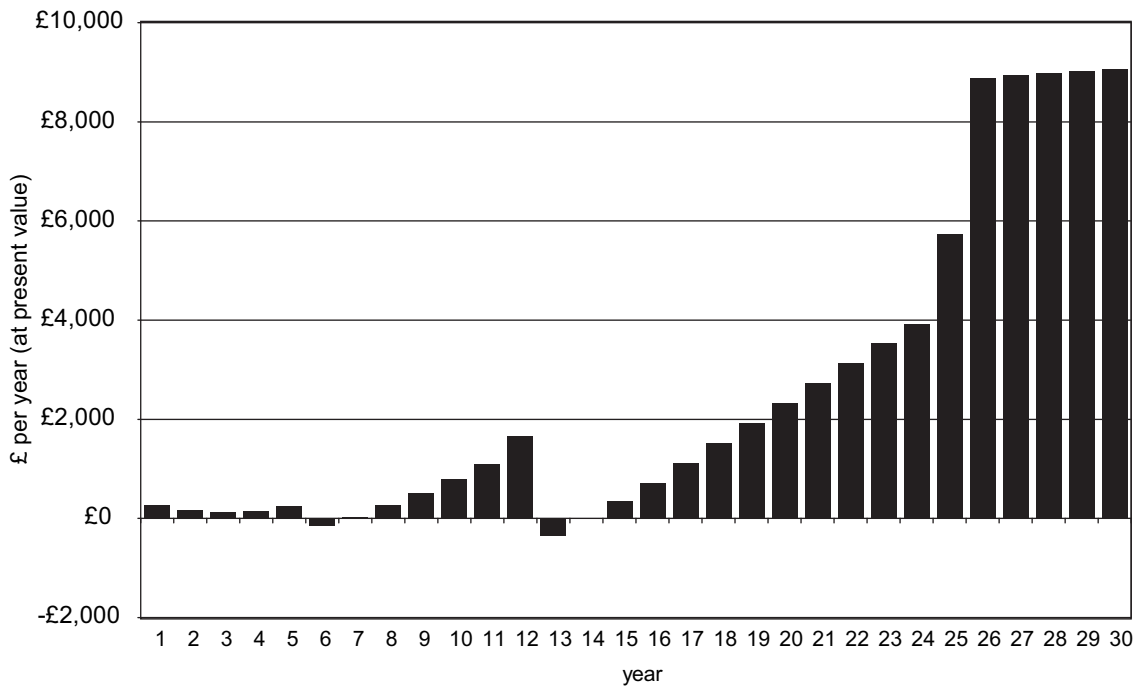


The chart shows the difference between the cost of temporary accommodation and the cost of permanent housing over time. It is expressed in present value terms (with a discount rate of 3.5%pa).

**APPENDIX 3**

**BETTER VALUE INVESTMENT**

**(Savings over time of Replacing a 3 Bedroom Leased Property with a Permanent Home)**



## APPENDIX B

### REVENUE INCENTIVES FOR AFFORDABLE HOUSING

#### SUMMARY

Local authorities, particularly those in “high demand” areas, could be encouraged to support housing association (RSL) development of more affordable housing if they were to be offered revenue funding on usable capital receipts.

#### KEYPOINTS

1. The output of social rented dwellings from the Housing Corporation funded programme in London has not increased to fully replace the supply (over 1,000 homes pa) of new RSL dwellings formerly funded by London boroughs.
2. There are no specific financial incentives for local authorities to use their capital resources such as usable capital receipts to fund development by registered social landlords (RSLs).
3. The consequent anticipated future shortfall in investment due to the absence of revenue incentives would reduce rehousing of homeless from temporary accommodation. This will increase the (housing benefit) cost to Government.
4. The cost of temporary accommodation will exceed the revenue incentive needed to encourage the use of capital receipts to support housing investment.
5. It therefore makes financial sense for the Government to provide a revenue financial incentive for local authorities to apply capital resources (such as usable capital receipts) to fund RSLs in “high demand” areas where there are substantial temporary accommodation costs.

#### 1. INTRODUCTION

1.1 This report considers incentives for local authorities to fund the development of social rented housing by RSLs and so reduce usage of high-cost temporary accommodation.

#### 2. BACKGROUND

2.1 With-debt local authorities wishing to support new additional RSL development from 2004–05 through use of their own capital resources will incur revenue costs, either as a result of debt charges or foregone interest. Exceptions were made for some schemes in London starting in 2003–04 which operated under previous financial arrangements.

2.2 Previously local authorities were incentivised to use their own capital investment resources to fund RSL developments through the Local Authority Social Housing Grant (LASHG) arrangements.

#### 3. IMPLICATIONS

3.1 From 2004–05 there is no revenue support to local authorities considering funding RSL schemes. Inevitably local authorities will be unlikely to use their capital resources such as usable capital receipts to fund RSLs if there is no financial incentive for them to do so.

3.2 In the late 1990s the output of rented housing by RSLs in London was slightly over 6,000 per annum. This included over 1,000 per annum funded through Local Authority Social Housing Grant.

3.3 The London Housing Board redirected £68.4 million of BCA funding to the ADP for 2004–06 to make up for the loss of the facility to use BCA funding to fund RSLs in London. However, this has not addressed the threatened redirection of other funding sources, mainly capital receipts, away from funding RSLs.

3.4 The output from the London ADP allocations in 2004–05 and 2005–06 will only average just under 5,000 per annum.

3.5 There are over 60,000 London households in temporary accommodation, rising by 5,000 each year. Most London social housing lettings rehouse the homeless. Hence losing access to the investment resource of usable capital receipts will reduce rehousing of homeless from temporary accommodation.

3.6 Higher numbers in temporary accommodation will increase the Housing Benefit cost to Government. This increase would exceed the revenue incentive needed to encourage the use of capital receipts to support housing investment.

3.7 Every £100 million of capital resources directed away from housing investment in London through RSLs means about 800 fewer dwellings. An analysis by London Housing shows that the long term net public expenditure cost would exceed £30 million.

3.8 The potential saving to central Government through a revenue incentive scheme occurs in London largely as a result of the high cost of temporary accommodation, and the large (and growing) backlog of households in temporary accommodation. The fact that the great bulk of existing available family-sized lettings go to the priority homeless means that additional supply is needed to reduce the numbers in temporary accommodation.

3.9 In addition, investment in RSL development by local authorities traditionally brought added value to housing association funding mechanisms by meeting local opportunities and objectives that would not be otherwise supported through the regional Approved Development programme ADP. For example:

- Estate regeneration schemes which help meet Decent Homes targets but which do not produce a net increase in social housing.
- Temporary to permanent accommodation schemes.
- Support for BME RSLs (ensuring that targets for local BME RSLs are met).
- Empty property initiatives.
- Bilateral cross borough initiatives.
- Investment in larger dwellings to meet demand for larger units of social housing. Only 26% of the social rented element of the 2004–06 ADP programme in London was directed at three-bed plus units.

#### 4. PROPOSALS

4.1 It makes financial sense for Government to have a revenue financial incentive for “high demand” local authorities to apply capital resources (such as usable capital receipts) to fund RSLs where there is a clear saving in temporary accommodation costs.

4.2 An alternative use for the capital receipts would be to repay debt. The revenue saving here would be set by the consolidated loans fund (CLF) rate of the authority. It would therefore be reasonable for the revenue incentive to be set at the CLF rate for the authority.

4.3 To secure the temporary accommodation savings this incentive could only be for areas of “high demand” ie a large temporary accommodation backlog and a high proportion of net lettings going to the priority homeless. ODPM has already used a definition of “high demand” areas for its recent (February 2003) regulation on Right to Buy discounts. It covers 31 out of 33 London boroughs.

4.4 It is proposed that this revenue incentive could apply to usable capital receipts from the disposal of local authority assets. This would enable local authorities to commit usable capital receipts and provide RSLs with some certainty when planning affordable housing.

#### 5. EQUALITIES IMPLICATIONS

5.1 Socially excluded groups or local groups or communities in need of particular types of accommodation would benefit from additional social rented housing.

### APPENDIX C

#### PUBLIC EXPENDITURE IMPLICATIONS OF LAWN MOVES

##### INTRODUCTION

This note sets out to estimate the public expenditure saving coming from moving a social tenant through a LAWN move from London to a low demand area.

##### GENERAL ASSUMPTIONS

The basic assumption made is that temporary accommodation numbers will directly or indirectly go down for a % of LAWN moves. Given the urgent need of almost all London boroughs to reduce temporary accommodation numbers, that is more than plausible.

Given the bedroom size profile of an average LAWN move, temporary accommodation costs savings will be around £175 per week or £9,000 per annum for one less average temporary accommodation dwelling continuing for each move assuming that only some LAWN moves result directly or indirectly in fewer in temporary accommodation.

It is also assumed that a LAWN mover is more likely to find work (and hence reduce the HB cost of their housing) than a homeless person left in very high rent temporary housing. [This reflects the opportunity that a LAWN moves brings, but it is not critical for the results.]

The final basic assumption is that filling a home in a low demand area does not lead to major costs such as more temporary accommodation. Such areas usually will have many voids.

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## POLICY DIMENSION

The primary constraint on the level of LAWN moves is the willingness of the receiving landlords to facilitate these moves. The priority given to the LAWN-type service by the contractor will also be important. Paying a dowry of £4,000 to receiving landlords to address the supply shortfall and an incentive of £500 to the LAWN service provider for each move would increase the numbers of moves. These incentives are small compared to the savings, as the analysis shows, especially given that savings recur and the incentives are one-off.

## RESULTS

The Present Value (PV) impact over 30 years of one LAWN move per year is £1.73 million. Even if Government pays a one-off dowry of £4,000 to the receiving landlord and an incentive of £500 to the LAWN service provider, net public expenditure saving is still of the order of £1.66 million (PV) for one LAWN move a year.

If we achieve 1,000 LAWN moves a year, not very much more than the present rate, the PV of the comparable net public expenditure saving would be £1,670 million.

The PV gives savings over 30 years. With 60,000 London households in temporary accommodation in London (rising by 5,000 pa), it is very unlikely, that the backlog would be cleared within 30 years. If nonetheless it is cleared in say, 15 years, net savings over 15 years would be £661 million in PV terms, given 1,000 moves per year.

## CONCLUSION

There is an clear case in public expenditure terms to maximise LAWN moves.

*Peter O'Kane*

Association of London Government

August 2003

## APPENDIX 1

### DETAILED ASSUMPTIONS IN ESTIMATING PUBLIC EXPENDITURE IMPACT OF LAWN MOVES

The potential saving from a LAWN moves depends on the cost of the temporary accommodation. This in turn varies according to the size of the accommodation. So the bedroom profile of LAWN moves is important. From the LAWN statistics for Q1 2003–04 they are 40% for one bedroom, 35% for two bedroom and 25% for three + bed. The weighted average cost of temporary accommodation for this profile was £225 per week at end 2002. These figures will inevitably change over time. They are unlikely to fall significantly.

The extent to which the numbers in temporary accommodation would go down for each LAWN move needs to be defined and done so for each bedroom category size to be realistic. Hence it is assumed that 60% of one bedroom moves would result a drop in the numbers in temporary accommodation, 80% of two bedroom moves and 90% of three + bedroom moves. This does not assume that the LAWN movers are homeless persons, but it relies on the fact that any social tenant moved by LAWN will free up a council or RSL dwelling for use by another applicant. In London the bulk of new applicants rehoused are the homeless.

Assuming that only a proportion of moves result in a reduction in temporary accommodation reduces the averaged weighting saving to about £175 per week.

The great bulk of this cost is met by central Government, through housing benefit (HB) and most of the remainder by local authorities.

Relatively few persons are working at the time of their homelessness and it is assumed that if placed in temporary accommodation whose rents are £200 + per week the depth of their poverty trap would mean that relatively few such homeless persons would find a job.

However with rents of the order of £50 per week for council housing on average outside London, the East and South East it is reasonable to assume that within a reasonably short period of time a proportion of the movers would start to gain employment. We assume that 10% of the population gain employment a year after a LAWN move, 20% after two years up to a maximum of 30% reached after three years. This reduces the HB cost to Government. It is also assumed that LAWN movers will, if in employment, stop renting their home after 10 years. So the HB savings would cease at that point.

The incentives assumed are:

- £4,000 dowry to the receiving landlord.
- £500 incentive to the LAWN service provider.

The discount rate assumed for the Present Value calculation is 5%. The savings would be even greater if the Treasury's revised base discount rate of 3.5% was assumed.

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## Memorandum by the London Borough of Hammersmith & Fulham (HOM 61)

### 1. SUMMARY

1.1 This document sets out detailed evidence to select committee relating to the housing need and homelessness issues arising in LB Hammersmith & Fulham.

1.2 We are extremely pleased that the Government is recognising the issues and complexities within this sector that are leading to situations of homelessness and would suggest that the problem is particularly acute in London, more particularly in Inner London. Our Housing Strategy work takes the Sustainable Communities agenda as the base for development.

1.3 Various recent studies, including the Barker Review have indicated that London is different to the rest of the Country for a number of perfectly valid reasons. London is an international Capital City that continues to attract inward migration and is expected to continue to expand from now until 2016. Due to a lack of supply, loss of housing through right to buy and high land prices, the capital city and in particular inner London boroughs are facing challenging and complex problems resulting in large numbers of people being housed in temporary accommodation and significant overcrowding issues. These problems directly impact upon the quality of life for all our communities.

1.4 We welcome the opportunity to share our ideas with the committee on potential solutions for Inner London. In particular we see these as the delivery of more housing and large scale social re-engineering. In particular we are keen to discuss the potential for creating appropriate funding structures that allow authorities to purchase housing, utilising the private sector and empty stock more effectively and would like to see Housing Corporation funding structured to take account of numbers of persons housed rather than simply numbers of units.

### 2. CONTEXT

2.1 LB Hammersmith & Fulham is a successful, high performing borough with an enviable record in building affordable housing.

2.2 Hammersmith & Fulham has an estimated population of 165,000. It is the fourth most densely populated borough in England and Wales with 71.2% of the stock being flats or maisonettes (48.8% for London). 33.4% of our stock is social housing (London has a social housing stock of 26.2%) and a large private rented sector (23.1% compared to 17.3% for London).

2.3 The average property price in the borough is £361,840, 117% above the national average. Although the average household income is £30,266, incomes in the borough are polarised with just over a third with an income below £10,000 per annum.

2.4 Taking the average income of £30,266 and savings at £5,700 and assuming that a household could secure a mortgage at four times the household income level that household could still not afford the borough minimum priced one bedroom flat falling short by just over £16,000.

2.5 The boroughs commitment to meeting housing need can be seen through its commitment to developing affordable housing. Although the borough lost some 661 units of council stock through the right to buy scheme over the last three years there has been a net gain of 1,015 units of affordable housing over the same period. In 2003–04 the 309 social rented units were built in the borough second only to Tower Hamlets this is the highest rate of build per 1,000 population in London.

### 3. HOUSING NEED IN HAMMERSMITH AND FULHAM

3.1 The 2003–04 Housing Needs Survey estimates a projected gross need for affordable housing of 4,437 units per annum over the next five years with a net shortfall of affordable housing units to meet anticipated need of 3,650 units per annum. This figure represents both need from households needing to move now (eg those living in unsuitable accommodation due say to overcrowding) and anticipated newly arising need (eg from newly forming and migrant households).

3.2 Net demand is outstripping existing supply of affordable housing (our available new lets are estimated to be 787 units per annum) by a factor of 4.6. In comparison with Inner London and London as a whole, Hammersmith and Fulham's need for affordable housing is significantly higher at 47.9 per 1,000 households per annum than Inner London and London requirements which are 32.3 and 27 respectively. Only 37% of all households needing to move within the year can afford to buy the accommodation they need on the open market in the borough.

3.3 In addition 8% (over 6,000 households) of all households in the borough are overcrowded. By far the highest proportion of overcrowded households by bed size are those needing four bed accommodation. 61.8% (2030 households) of all households requiring such accommodation are living in overcrowded conditions, with 19.9% of that group currently living in either one or two bed accommodation.

3.4 It is clear from our research that some households are and will be disproportionately affected by the lack of affordable housing and levels of unsuitability identified. As an example Black and Asian households are identified as having average household incomes of £14,577 and £14,424 respectively, under half the

average borough (£30,266) and white household (£33,445) incomes identified in the Survey. Therefore these households will be less likely to be able to resolve any housing need identified and will be more reliant on assistance to meet any housing need that occurs. Clearly, there are consequences that arise from this including; BME households are more likely to live in unsuitable housing (32% of BME households live in unsuitable housing compared to 15% of white households) and there are higher levels of homelessness amongst BME households (in 2003–04 65% of homeless households accepted for rehousing were BME).

3.5 In real terms and despite proactive demand management during 2004–05 the number of homelessness families placed into temporary accommodation has continued to rise in the borough and at end of August stood at +7.8% when compared to the previous year average.

3.6 It is important to note that the mean weekly average for homeless acceptances has not changed since 2003–04 and so the increase in the numbers of families placed in temporary accommodation is caused by a lack of supply rather than simply more acceptance decisions.

#### 4. PROGRESS ON HOMELESSNESS WORK

4.1 We applaud the Government target to eradicate the use of bed and breakfast for families with children and pregnant women and successfully met the target ahead of the March 2004 deadline. However, like many other London Boroughs this was primarily achieved through our extensive use of Private Sector Leased (PSL) properties both within and outside the borough and this raises a number of problems for the authority and for the wider housing market. It is likely for instance that PSL has fuelled the buy to let market and may have raised property prices in areas which had been available for entry level buyers thus adding to affordability problems and restricting the routes available to deal with housing need.

4.2 We are unable to meet housing need within our own borough boundaries and, although we work proactively with sub-regional partners to maximise available affordable housing, we have considered a wide range of options to assist those in housing need. As a result, some 30% of our homeless families have been placed in PSL properties outside our sub-regional boundary.

4.3 In order to ensure that the PSL scheme is cost effective and self financing we have been forced to charge rents that are at the higher end of the HB subsidy thresholds. In addition, rents in our specialised HALs are also high, recognising the local market and the specialist nature of the accommodation provided by our RSL partners. Whilst the vast majority of families are in receipt of HB and rents are covered by the current subsidy regime, the result of this charging policy is that families are subject to a poverty trap. Indeed, in order to be able to afford the rent charge and be free of HB, households would need incomes in excess of £50k per annum—much higher than the average for the borough.

4.4 Although we recognise the need to utilise the private sector to maximise housing opportunities, PSL schemes are a short term costly solution and progress towards more innovative schemes providing longer term solutions such as temporary to permanent schemes can be slow as funding arrangements are complex and uncertain in terms of “future-proofing”.

4.5 We recognise that the Government is working to reform the current funding regime and that proposals for such reform have been postponed due to a recognition of the instability that could be caused. However, we believe some subtle changes to the current regime could be easily arranged to assist those in this particular situation and that some other “bigger” ideas could also be considered:

- In Hammersmith and Fulham alone some 1,000 families are living in a poverty trap situation with little or no prospect of finding work whilst rents are so high. A direct grant paid to local authorities for the provision of this accommodation, reducing reliance on HB to social rent levels would allow tenants to actively seek work, would end the poverty trap and could help to significantly reduce child poverty across London. We intend in the current LPSA round to propose this option as a “freedom and flexibility” linked to objectives related to improving conditions in temporary accommodation for homeless families. We would welcome any support that can be given to this proposal.
- The opportunities offered by the large private sector in this borough in particular are harnessed through our award winning Empty Homes programme and our work with private sector landlords, however, we believe that further gains for affordable housing could be secured through the private sector using a suitable Capital Financing Vehicle to acquire properties from the private sector supported by a suitable funding stream (part direct funding, part HB) to maintain affordable rents for tenants.

4.6 Notwithstanding the difficulties associated with PSL and HAL schemes, the move into this type of accommodation and away from B&B and hostel accommodation for families is welcomed. The vast majority of temporary accommodation provided this way is significantly superior to that of B&B and standards are high. Indeed homeless families now living in such accommodation are significantly better off than those housed in Council stock who continue to experience unacceptable levels of overcrowding. This may lead to policy changes reducing the priority previously given to homeless families for rehousing and could therefore result in longer stays in temporary accommodation for the homeless across the Capital.

4.7 The borough has also been able to make significant progress in utilising the private sector through building relationships with private landlords and encouraging homeless people to accept a private sector “direct letting” (this avenue prevents a homeless application). The scheme is facilitated through a rent deposit scheme and the borough works proactively to ensure HB is fast-tracked and monitors tenancies working closely with landlords on any problems that arise. Whilst we have been able to house some 100 families over 18 months through the scheme, the costs can be prohibitive where HB fails to meet the market rent and the borough pays to “top up” through Discretionary Housing Payments. In addition, many families can opt out of the scheme as they know that once they are found “homeless” the borough has a duty to offer social housing and it’s appeal means that many people are prepared to wait in temporary accommodation for several years if necessary.

4.8 With the reducing availability of social housing and the increasing pressure on homelessness caused through relationship breakdown and overcrowding, an amendment to the homelessness legislation allowing local authorities to formally discharge their housing duty directly into private sector accommodation (directly funded in part as described above) could assist, as those who were deemed “suitable” for private sector housing would then not be able to refuse this option.

4.9 Other “prevention” schemes including mediation and DV projects have proved successful in delaying homelessness to a certain extent, but doubt remains as to whether these particular methods are sustainable in the future.

4.10 All prevention projects in this borough are costly, resource intensive and directly funded by the Homeless Directorate Grant and depend to a large extent on that grant continuing beyond 2004–05.

4.11 In placing families outside the borough, we realise that we are potentially adding to the social and emotional costs of homelessness by separating families from existing support networks within the community.

4.12 The advent of the Supporting People Programme has done much to contribute to preventing homelessness through active tenancy sustainment work. The inclusion of the Supporting People Programme within the Homelessness Directorate has been replicated in the divisional; structures here at Hammersmith & Fulham allowing a strategic approach to prevention and sustainment. In this borough a 39% of all supporting people expenditure is related to homelessness. This compares with a national figure of 19.5% and demonstrates the level of reliance on SP funding for preventative tenancy sustainment and support related activities for the homeless. Funding decisions due to be made shortly (resulting in up to 7.5% losses) stand to significantly impact this work and in Hammersmith and Fulham would represent some £1 million in cuts.

4.13 Hammersmith & Fulham have continued to fund homeless advice services for non priority need households via our voluntary sector grants budget. Additionally, we manage the contracts for outreach and day centre services provided to single homeless and rough sleepers. The services are very well regarded, helping the council and the West London Zone (made up of Kensington & Chelsea and Hammersmith & Fulham) meet Government targets to reduce rough sleeping. However, we have two linked concerns. Firstly, 75% of the temporary supported housing schemes report problems of moving clients on to permanent accommodation. Secondly, our local advice agency reports that the accommodation options that they can offer non priority need are continuing to reduce, including large numbers of working households, who would previously have been able to find accommodation for themselves in the private sector.

4.14 The NOTIFY project is a positive proactive move to share data across London for all families in temporary accommodation with the objective to protect vulnerable children and is progressing well. However, development of effective support within boroughs has been difficult to harness across partner services and organisations including education; PCT and social services to ensure that all families receive the support they need particularly when placed in a proliferation of different local authorities through the use of PSL. Work in this area continues to be in development and whilst Supporting People funding can help focus on pooling resources and approaches regionally and sub-regionally eg joint procurement of floating support services will assist the situation.

## 5. HOUSING POLICY IMPLICATIONS

5.1 The issue of homelessness cannot be separated from a discussion about overall housing need. Essentially, existing and future demand for affordable housing cannot be met through available relets and new build alone. This is leading to a number of adverse impacts including households living in overcrowded conditions and high numbers of households reporting homeless and having to live in temporary accommodation. We already prioritise our use of available stock through our Allocation Plan and we define and promote the building of affordable housing successfully through our planning policies.

5.2 In terms of the type of housing built, the incentives we currently offer households under occupying social housing, use of the private sector, conversion and extension of existing housing and empties in the borough (private and public sector) we are considering our current policies and approaches to ensure that we are maximising the opportunities that might be available to meet need. At the moment we feel that some of the activities that we might want to pursue are currently constrained by available subsidy and resources.

5.3 The demand is largely for social rented housing. Intermediate housing options could meet some housing needs however only cheaper forms of intermediate housing would meet the majority of household needs identified in this category. The demand for more expensive sub market housing is minimal. However, development costs (eg purchase of land) often make the development of low cost intermediate housing challenging if not impossible without some additional subsidy either from the Council's own capital resources or from for example cross subsidy from the development of market housing. Additionally, larger family intermediate housing units become prohibitively expensive and so largely unaffordable so there has tended to be development of smaller intermediate units (eg one and two bed) resulting in a serious short fall of four bed units in recent years.

5.4 The social and economic consequences of homelessness and the lack of affordable housing are significant. Partners in particular (both RSLs and the Hammersmith and Fulham Housing Management Services) have highlighted the adverse impacts of overcrowding and poor housing conditions on health and well being, educational attainment and on levels of anti social behaviour.

5.5 Additionally, we have evidence of households leaving the borough to seek larger often owner occupied accommodation. The loss of what we could suppose to be low to middle income households seeking affordable market housing in cheaper areas of London and the South East has and will potentially increase polarisation in the borough. Promoting a range of local affordable housing options that promotes and sustains mixed income communities is important in ensuring that households "invest" in the neighborhoods and local services available. The positive outcomes include; better performing schools that attract children from households with a range of incomes, a better skilled workforce for the borough and regional economy and aiding employment, recruitment and retention in the local area.

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#### **Memorandum by the Local Government Association (LGA) (HOM 62)**

1. The Local Government Association (LGA) was formed on 1 April 1997 and represents the local authorities of England and Wales—a total of just under 500 authorities. These local authorities represent over 50 million people and spend around £78 billion pounds per annum. The LGA exists to promote better local government. We work with and for our member authorities to realise a shared vision of local government that enables local people to shape a distinctive and better future for their locality and its communities. The LGA aims to put local councils at the heart of the drive to improve public services and to work with government to ensure that the policy, legislative and financial context in which they operate, supports that objective.

2. The LGA welcomes the opportunity to give evidence to this enquiry.

3. Local authorities have a statutory duty to help homeless households in their areas and therefore have the Local Government Association and its member authorities have an interest and in and therefore can make a major contribution to this enquiry.

4. Housing is an essential part of any individual's life and can have an impact on your health, education and social prospects.

5. Homelessness is complex and can arise for many different reasons. When we consider homelessness generally we think of people who are sleeping rough on the streets. However, these are only the most visible homeless. A wide variety of people who approach their local authority as homeless will meet the criteria in the legislation and be assessed and registered as homeless. These include people who are roofless, people living in temporary accommodation provided for homeless people, people living in other insecure or temporary accommodation, for example tenants who have been given notice to quit, people living in "intolerable" circumstances, for example overcrowded or unsafe housing and people involuntarily sharing accommodation long term, for example those living on friends' sofas or with extending family. All these people are owed a duty by the council to find them suitable housing.

6. Homeless applicants can also have multiple reasons for presenting themselves as homeless and as a result cases can be very complex to deal with. As cases homelessness are complex there are a lot of agencies that can have an impact in assisting the local authority housing department to in its duty towards homeless people. These agencies include housing associations (as partners and housing providers), other statutory agencies, such as social services and health (in the assessment of and treatment of problems), the voluntary sector (particularly homeless charities), and the private sector (businesses such as builders and as private landlords providing accommodation for local authority tenants use).

7. In 2003–04, local authorities accepted responsibility for housing 137,000 homeless households. This was an increase from 130,070 in 2002–03. This increase could in part be explained by the extended priority needs categories and the new duties imposed on local housing authorities by the Homelessness Act 2002.

#### **HOMELESS POLICIES**

8. Under the Homelessness Act 2002 all local housing authorities had to produce a homeless strategy for their area that had a five year plan as to how they would tackle homelessness. All 376 local authorities in England and Wales with a responsibility for housing produced a strategy. In the autumn of 2003 the LGA

undertook a survey of local authorities to find out how they had approached their strategies and what the impact of these were. The Association had 227 authorities respond to this survey, giving us a return rate of 60%. It was clear from the responses that local authorities gave us that whilst they welcomed the experience of working on the strategies only 45% of authorities believe there has been increase in budget allocations for homelessness strategies since they created their strategy.

9. For some authorities there has been an increase in budget to enable them to meet the B&B target and the rough sleeper's target and there is real concern that once the additional funding that has followed the creation of strategies runs out there will be difficulty for these authorities to sustain the targets. The LGA was opposed to the creation of a statutory instrument for B&B use, whilst we agree that local authorities should minimise the use of B&B the point has to be noted that:

- Whilst it is appreciated that B&B accommodation is not the ideal situation for children to be placed in, the LGA commends local authorities for the efforts they have made to limit its use, and notes that B&B is used because of a lack of alternatives.
- The Association recognises that not all B&B is of a good standard, but we feel that the standard blankets all B&B and does not acknowledge that some B&B accommodation is of a better standard, more hygienic, healthier and provides mechanisms of support for vulnerable people which a lot of the private rented property that homeless households could be placed in does not.
- Making it illegal for councils to use B&B for families for longer than six weeks is perverse. It puts very high demand authorities in an untenable position, allows no flexibility for individual cases of for circumstances outside local authorities' control. Authorities meet the B&B target last March. However, this may be partially attributable to the additional resources made available by central government and to a flattening of the housing market in some areas. The unintended consequence of the proposed legislation could be a tightening up of the criteria for accepting homeless applicants and an increase in the number of intentional homeless decisions made by authorities. This goes against the intention of the homelessness legislation.
- This SI does not allow for local authority autonomy and potentially criminalises authorities. It is against the spirit of the legislation in which local authorities are encouraged to provide the best advice and solutions they can for homeless people and imposes an unacceptable reduction in local authority's freedom to operate within the legislation. The consequence of this is that local authorities will simply tighten up on acceptances and may end up having to make unsuitable placements in the private sector in order to reach this target. This could have the unintended consequence of having an adverse effect on homeless people.
- There is a danger that to ensure that targets to remove families from B&B are met, there will be an increased use in this type of accommodation for single people. Whilst the LGA agrees that housing people in B&B is not ideal it is often necessary for authorities to place people in such accommodation because of a lack of suitable alternatives.
- This has set an unwelcome precedent whereby a target imposed on local authorities is enshrined in legislation. The factors that impact on the ability to meet this target are many and varied and are often beyond an authorities control and imposes an unreasonable burden on authorities.
- It has to be recognised that this target does not deal with the core problem of supply. Local authorities are working hard to ensure that there is enough supply of accommodation to meet Government targets and should be commended for their positive approach to this issue. However, it is clear that some authorities 55% of authorities feel that there has been no increased budget for this work and are having to manage from within existing resources. If targets are to be sustained, the Government needs to review the funding of homeless services and make additional resources available for this work. This was a commitment that they gave when they proposed the Homelessness Act 2002 and should be kept.

#### THE EVALUATION OF TARGETS

10. Whilst targets have been imposed on local authorities ie the rough sleepers and B&B target. No specific work is being undertaken to evaluate the effectiveness of these targets. Has the reaching of the targets allowed for value for money, or are local authorities paying out considerable amounts of money on Private Sector Leasing (PSL) schemes that do not represent an effective use of resources. The Association would urge the ODPM to undertake proper evaluation of the targets. This evaluation should include looking at the cost of types of accommodation used and whether the PSL schemes that they are using present people with good standards of accommodation. It is also important that any evaluation of the target looks at the human element of homeless services, by this the Association means that the people accommodated are receiving appropriate support in their private sector accommodation.

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## JOINT WORKING

11. People lose previous accommodation for a number of reasons and to enable them to sustain their tenancies some people will need support from other services (such as social services or health) to ensure that they are not at risk of repeat homelessness.

12. Joint working is key to addressing homeless problems. The LGA research highlights this issue with 68% of authorities report that creation and implementation of the Homelessness Strategy has increased the need for cross-boundary co-operation between neighbouring authorities.

13. Section 111 of the Local Government Act 1972 provides local authorities with the power to do anything “which is calculated to facilitate, or is conducive or incidental to the discharge of any of their functions”. The Local Government Act 2000 gives local authorities the duty to promote the well-being of their area. This duty allows local authorities the right to work with others to deliver services.

14. The Homelessness Act 2002 placed a duty on local authorities to consult all agencies that can have an impact on them achieving the outcomes of their strategies. However, it is clear from talking to housing authorities that they still have problems getting care agencies to work seriously with them on specific homeless cases. The most prevalent cases of sort are with 16–17 year olds, where social care often places the duty back onto housing agencies. However, if young people are to maintain their licences it is essential that they get the correct support. It is not just restricted to just young people but extends to other social care cases. Care agencies should be reminded of their duties to homeless households by the relevant Government departments. There is also potential for further duties to be placed on care agencies to ensure that they co-operate with housing authorities.

## WORKING WITH OTHER SOCIAL HOUSING PROVIDERS

15. Registered Social Landlords (RSLs) have a duty to work with local authorities to help them fulfil their statutory duties. The Housing Corporation has reminded RSLs of this duty in guidance to them. However, there is evidence that there are still real issues about local authorities being able to exercise nomination rights to RSLs. The ODPM are currently looking at providing good practice guidance on this issue. The Association would urge that this issue is addressed as a matter of urgency as where nominations are rejected it is the local authority that has to meet the cost of finding other suitable accommodation for homeless applicants.

## CONCLUSIONS

16. The LGA welcomes this consultation as a positive step to evaluating the Homelessness Act 2002.

17. Believes that there should be a continuation of the funding of homelessness projects.

18. Believes that the Government should evaluate the cost of homeless services and make additional resources available as they committed to do in the Act.

19. Believes that the B&B target and rough sleepers target should be evaluated to ensure that the use of private sector accommodation provides value for money, good standard accommodation and suitable support for homeless people.

20. That joint working is key to solving many homeless cases and that care agencies should be reminded of their responsibility to work with housing agencies.

21. That the Government review nomination problems with RSLs.

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## Memorandum by Nottingham City interagency Homelessness Strategy Implementation Group (SIG) (HOM 63)

### SUCCESSFUL IMPLEMENTATION OF THE HOMELESSNESS ACT

1. Strategy Implementation.

2. Non Housing services adequacy and coordination:

- The Nottingham SIG was established to oversee the implementation of the first Nottingham Homelessness Strategy. It is an interagency group including Housing, PCT, Voluntary Sector, Probation and Social Services and Supporting People.
- It works in cooperation with an elected members and voluntary sector group—The Homelessness Advisory Forum. This provides a degree of scrutiny for the SIG.

- After initially being chaired by Housing the chair has since passed to the PCT thus ensuring an objective and critical approach to the successful implementation of the strategy and maintaining focus and energy.
- Voluntary sector representation is through nominations from an external voluntary sector group facilitated by an umbrella organisation.
- Members from all agencies must be sufficiently influential to influence policy development, commissioning and to problem solve when this is required.
- The SIG functions in practice through a number of sub or working groups focussed on specific issues such as the development of temporary accommodation strategy.

The SIG is recognised locally for making significant progress on a range of homelessness issues and keeping homelessness as a focus of activity across the partner agencies.

- This has been possible in part due to the appointment of a Homelessness Strategy Co-ordinator.
- This post has been made possible by Joint shared funding from the City PCT, DAAT and the Housing Department. The appointment was made in September 2003 and has allowed significant progress on homeless issues in practical terms. The coordinator has been brought onto the SP core strategy group, the homeless group of the PCT and has made representations to a number of key strategic groups within Nottingham including Respect for Nottingham a key crime and disorder strategic group.
- The SIG also facilitates the development of services funded through the homelessness fund including those connected to tackling Rough Sleeping locally.
- The SIG believes its approach to interagency working and the development of an interagency funded post is a model of good practice for strategy development in general but for Homelessness Strategy development in particular. There would be clear benefits for homeless people and linking homelessness services, both housing and non-housing if this model was more widely adopted.
- Non Housing service such as those provided by the Health Team for the homeless include Health Visitor, Nursing, Midwifery and links to drug treatment and Specialist Treatment for substance misuse through specialist trained GPs. The SIG has been able to influence all the major agencies in relation to how services are developed and commissioned. Although there is still much to be done, the joint ownership of a vehicle through which progress can be achieved is a significant factor in future success.
- Supporting People is the single most significant commissioner and funder of homelessness services in Nottingham. The SIG is understood as the organ for strategic Homelessness development and consultation. The role of the coordinator in relation to the Core Strategy group is critical in ensuring the future success of homelessness services, particularly as major remodelling is required in the City.

The SIG Chair, Homelessness Strategy Coordinator and Executive Member for Housing would be happy to receive a request to present further information and evidence to the committee and answer any questions at your convenience.

*Dr Michael Varnam*

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### **Memorandum by the District of Easington (Housing Strategy) (HOM 64)**

#### **INTRODUCTION**

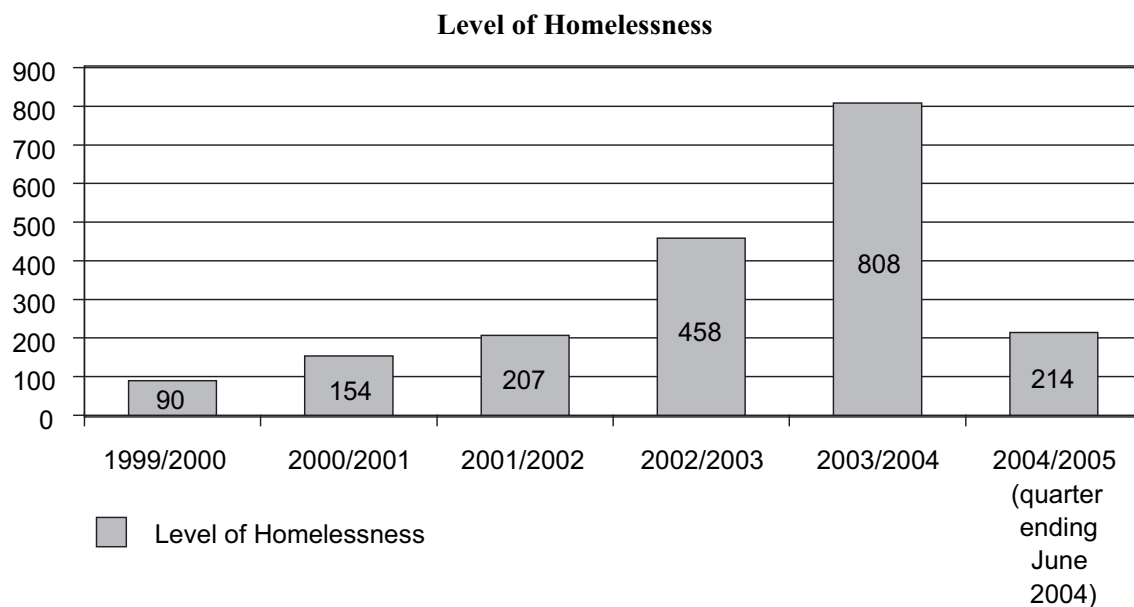
The parliamentary select committee for the office of the deputy Prime Minister announced that it is undertaking an inquiry into homelessness.

The committee is focusing on the level of homelessness, the effectiveness of homelessness policies in meeting the needs of homeless households; the adequacy of investment to deal with homelessness and the quality of the housing provided; the implementation of the homelessness act 2002; where homeless households are housed; the balance of public investment in housing for key workers and homeless people; the priority given to homeless households within the overall allocation of social housing; the adequacy and coordination of non housing services; and whether public agencies are effective in preventing people becoming homeless.

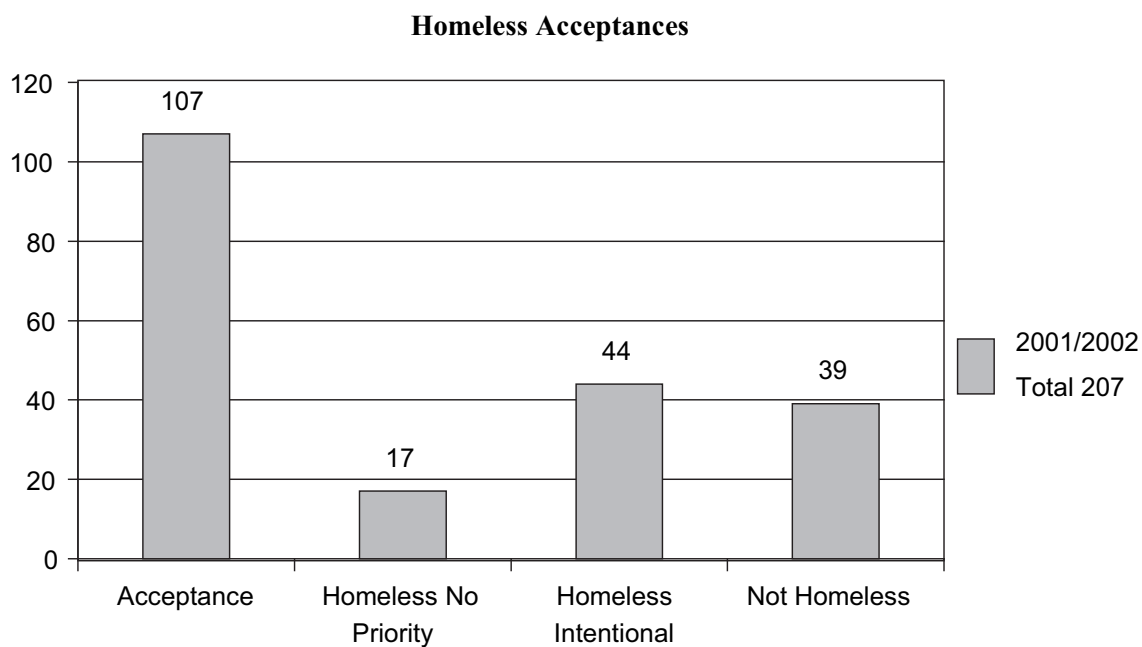
This is an opportunity for authorities to give their views, for example, on the implementation so far of the 2002 act; the effectiveness of multi-agency working; and the financial implications of homelessness strategies.

### 1. Level of Homelessness

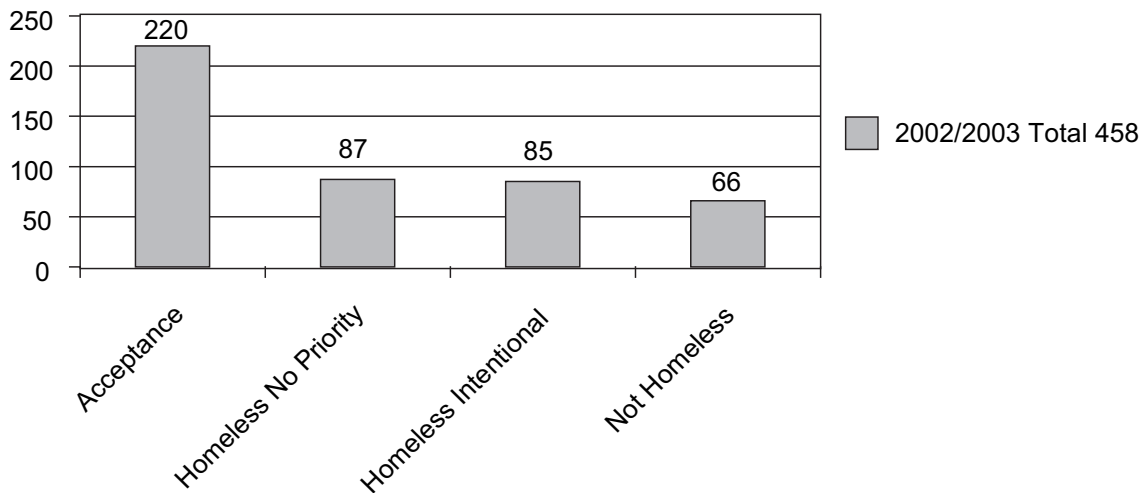
The bar chart below shows the trends in recent years of applicants presenting as homeless.



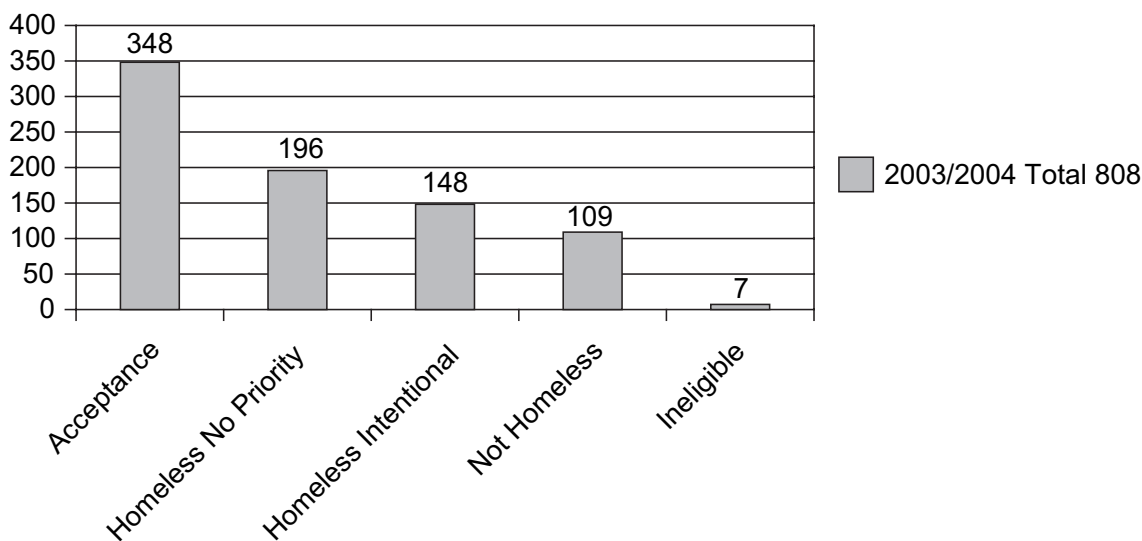
The following four bar charts show the trends in recent years of homeless acceptances.

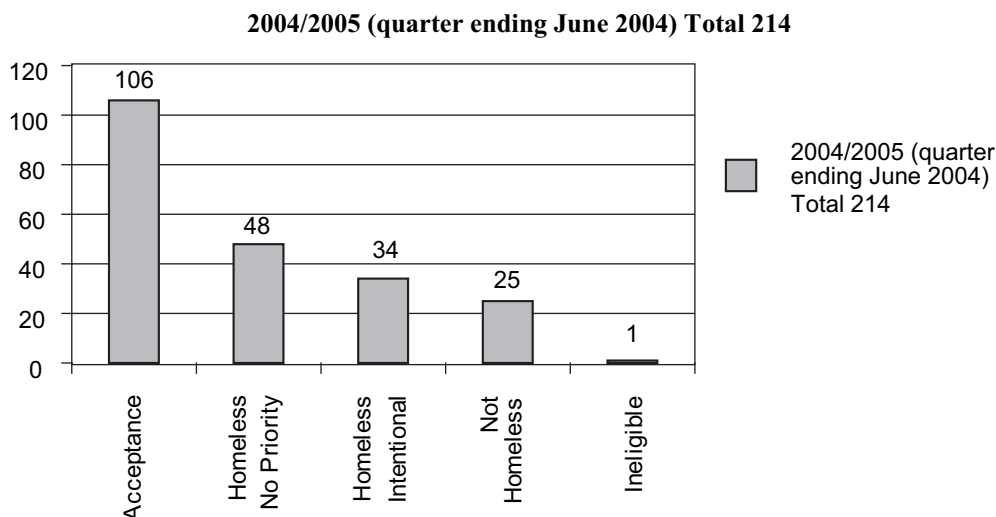


### Homeless Acceptances



### Homeless Acceptances





The two main reasons for Homelessness within the District of Easington are:

- Breakdown of relationship between partners (Large percentage of this group is as a result of domestic violence).
- Parents or relatives no longer willing/able to accommodate (this relates mainly to young people).

A copy of our homelessness strategy 2003–08 is enclosed which provides more detailed information on the results of the review prior to producing the strategy to help prevent homelessness.

## 2. *Effectiveness of Homelessness Policies in Meeting with the Needs of Homeless Households*

We currently operate a priority need banding system, which was agreed on 4 February 2003 to ensure compliance with the provisions of The Homelessness Act 2002.

A copy of the current banding system, which highlights which categories of people fall into, which band is attached as Appendix 1.

Band A1 is the highest priority within the allocation scheme, and band D2 is the lowest; The E Band is for applicants where we are awaiting further information.

Since the introduction of the current allocation policy continuous research of allocation policies of other authorities and legislation has been ongoing. The Court of Appeal heard two cases where challenges have been made to certain aspects of Lambeth Council's Allocation Policy. Therefore the report, which is currently being produced to amend the allocations policy, will include changes deemed necessary to ensure compliance with cumulative housing needs. The main points include delegated responsibility for making decisions outside of the agreed framework, and giving preference to applicants with cumulative housing needs.

The main reason for amending the allocations policy is, although the current allocations policy was introduced strictly in line with legislation, a number of concerns have been raised in relation to fairness, and a review of the policy has become a priority. Concerns have been raised by members, the general public, residents groups and East Durham Homes Board Of Management. The main concern is whether applicants currently within the "C" band are receiving a reduced number of allocations.

Analysis of the allocations to each band has taken place since the new banding system was adopted and appendix 2 also shows the number of allocations made to each band. The existing preference groups as per the legislation are included at bands A and B.

The figures show that approximately 40% of allocations have been made to the homeless groups band A1, B1 and B3. Approximately 43% have been allocated to remaining preference groups at band A2 and B2. Therefore only 15% of allocations have been made to the remaining groups.

As part of the review process, consultation has taken place with a number of authorities including those with choice based lettings system. These authorities have similar types of allocation systems as Easington. The proposed changes to the allocation system are based around Manchester City Council's, who prioritise and give a higher weighting to local applicants. Their system forms the basis of the allocation framework but has been adopted to reflect local circumstances in Easington.

The proposed new housing allocation framework has been developed to reflect equal opportunity and fairness and to give applicants who fall within the system. The framework is also designed to priorities those applicants who have a local connection.

Although our current allocation system seems effective for meeting the needs of homeless households, there are issues around fairness, particularly in relation to local people who are not homeless and have very little opportunity to receive an allocation. Comments have also been made that our current allocation system is open to abuse.

### 3. *Adequacy of Investment to Deal with Homelessness and the Quality of the Housing provided*

A financial summary of our current resources for provision for the homeless is as follows:

#### PREMISES RELATED EXPENSES

Repair and Maintenance	£4,000
Electricity	£1,680
Gas	£3,360
Rents	£7,800
Council Tax	£5,500
Water Charges	£1,680
Cleaning Supplies	£100
Window Cleaning	£100

#### SUPPLIES AND SERVICES

Equipment	£3,000
Laundry	£0
Bed and Breakfast Accommodation	£500
Miscellaneous Expenses	£200

#### TRANSPORT RELATED EXPENSES

Car Allowances	£1,380
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We also received £25,360 from the ODPM after we applied for a grant, and quarterly we complete a survey and receive an additional £5,500 per quarter from the ODPM. This is a grand total of £76,660 and excludes expenditure for employees and central department and technical support services.

We currently have nine furnished flats within out stock use as temporary accommodation.

There are a number of agencies outside the district who provide advice and temporary accommodation. These include:

- Nightstop (Darlington)—Emergency short—term accommodation in people's houses.
- Nightstop (Durham)—As above.
- Northeast Direct Access (Plansworth)—Men only over 18 years.
- Salvation Army, Darlington—Males only 18+.
- TZ (Sunderland)—Females 16–19 Direct Access.
- Letitia House, Middlesborough—Direct Access.
- Homeless Liaison Project Newcastle—Will advise of any vacancies in Newcastle area.
- Stonham (Brandon)—16–19 by referral.
- YMCA Toward Road, Sunderland.
- Norcare (Durham and Darlington)—Ex offenders Agency or Direct.
- Norcare (Wearside)—As above.
- DASH—Agency or direct 18+.
- SPACES—Assistance for single people leaving armed forces accommodation.

There is also a project, which provides medium stay, 24 hour supported accommodation for young people aged 16–19 years. There are eight self-contained flats and the scheme offers assistance to develop independent living skills. Stonham Housing Association work in partnership with the council to provide the client with move-on accommodation with floating support.

There is also a women's refuge in the area, which provides six bedspaces. Support staff are available through office hours and on call through unsociable hours. A floating support has also been appointed and is based within the refuge. Her role is to resettle woman in their own homes and to assist them into maintaining their tenancies. We are currently working in partnership to find a suitable location for a new build refuge, or renovate the existing building.

As part of the Homelessness Strategy we are continuously looking at ways to improve the quality of our temporary accommodation provided to homeless people. More recently we have been successful in securing £1,000 from Easington PCT to put together "Starter Packs" containing food and essentials for temporary housed people. This is in partnership with Housing Action North East, ASDA, Council of Voluntary Services, Residents Associations, East Durham Homes and of course Easington PCT. We are also trying to develop a furniture-recycling scheme with MENCAP and other agencies.

#### 4. *Implementation of The Homelessness Act 2002*

The Homelessness Act 2002 required all local authorities to carry out a review of homelessness in their area, and produce a strategy to prevent it by July 2003.

The District of Easington undertook an internal review of its current procedures for dealing with homelessness which resulted in an action plan being developed to prevent homelessness in the area.

The process was very successful and a number of priorities were highlighted as a result of the review. The needs of homeless people are often complex and may need involvement from many services, therefore a joint multi-agency approach is required to deliver these priorities and prevent homelessness.

One of the most important aims of the strategy was to improve our working relationships with key partners, to have a positive impact on the homelessness service, and address the housing needs of the district. Our partnership working has improved and the Homelessness Steering Group chaired by the Council has proven very successful, although there is room for improvement.

#### 5. *Where Homeless Households are Housed*

Most of the homeless households presenting in our area are housed in the district in their areas of choice, usually from the housing register.

#### 6. *The Balance of Public Investment in Housing for Key Workers and Homeless People*

District of Easington Council do not deal with many Keyworkers at present, however the current banding system does have provision for Keyworkers, although it is within band C1 which receives very few allocations.

We are aware of schemes in areas such as London where Keyworkers are more of an issue.

#### 7. *The Priority Given to Homeless Households within the overall Allocation of Social Housing*

See section 1 for priority given to homeless households within the overall allocation system operated by East Durham Homes on behalf of District of Easington.

In relation to the Registered Social Landlords operating in the area, we are currently working with them to strengthen our nomination rights, and priority for homeless households within their policies.

#### 8. *The Adequacy and Co-Ordination of Non-Housing Services*

District of Easington Council currently chair a Homelessness Steering Group, which was formed to bring forward the Homelessness Strategy.

The steering group is very successful and includes key agencies, such as the Citizens Advice Bureau, Primary Care Trust, Durham Action Resource Team (DART), Norcare, Connexions, Local Solicitors, Centrepoint, Supporting People and various others, as well as East Durham Home's staff, and the Executive Member of Social Inclusion.

A lot of good partnership working and joint initiatives have derived from the steering group, such as the Starter Pack initiative (food hampers for homeless people) and the joint rent arrears initiative with the Citizen's Advice Bureau (purpose is to reduce rent arrears) More recently the Council's Assistant Chief

Executive attended one of the meetings to introduce the work of the Innovation Forum, and discuss ways of the Homelessness Steering Group becoming involved. The Innovation Forum is a group of “excellent” councils who are working together to share good practice and influence future policy.

However, there is room to improve and get other important agencies involved.

#### 9. *Whether Public Agencies are Effective in Preventing People Becoming Homeless*

Since the formation of the Homelessness Steering Group, public agencies have become more effective in preventing people becoming homeless through good joint working and communication. Examples of this are the development and implementation of floating support schemes for vulnerable groups to help sustain tenancies, and the successful county-wide bid for £100,000 for a mediation service for young people.

#### 10. *Summary*

This response highlights that the level of homelessness is rising; since the implementation of the Homelessness Act 2002 the number of applicants presenting as homeless has increased substantially. The number of applicants accepted as homeless by the authority has also substantially increased. The number of applicants found to be homeless with no priority, homeless intentionally and not homeless has also increased. The main reason for homelessness in Easington district is a breakdown of relationship between partners (mainly due to domestic violence), and parents/relatives no longer willing/able to accommodate (this relates mainly to young people).

Although our current allocation system seems effective for meeting the needs of homeless households, there are issues around fairness, particularly in relation to local people who have very little opportunity to receive an allocation. Comments have been made that our current allocation system is open to abuse.

Although we receive £76,660 to deal with homelessness, and take part in various initiatives via the Homelessness Steering Group, and county-wide initiatives via the Homeless Action Partnership, we still feel this is inadequate to address the problems in the District of Easington.

The review of homelessness proved very successful and a number of priorities were highlighted as a result. Since the implementation of the Homelessness Act 2002, the development of the strategy, and the formation of the Steering Group, our partnership work has improved, although there is room for improvement.

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### **Memorandum by the Centre for Housing Policy (CHP), University of York (HOM 65)**

#### 1. THE CENTRE FOR HOUSING POLICY

Suzanne Fitzpatrick is Joseph Rowntree Professor of Housing Policy and Director of the Centre for Housing Policy (CHP), University of York. Nicholas Pleace is a Senior Research Fellow at the Centre. CHP is one of the leading centres on policy-related housing research in Britain, and has an especially strong track record in the homelessness field, conducting work in this area for ODPM, the Housing Corporation, DoH, DWP, NHS Health Scotland, Shelter, Crisis, Centrepoint, the Kings Fund and the Joseph Rowntree Foundation. Most recently, the Centre has undertaken a series of research projects on family homelessness, including the feasibility study for a national survey of homeless families and lone 16 and 17 year olds that ODPM is due to commission shortly.

#### 2. THE CURRENT HOMELESSNESS PROBLEM IN ENGLAND

There are several dimensions to the “homelessness problem” in England, some of which have been more successfully tackled than others by present Government policies.

Focusing on the most extreme end of homelessness first, the Government has enjoyed notable success in reducing the numbers of rough sleepers in England, particularly in central London. While the precise scale of the reduction is open to debate, the downward trend is clear. This has been achieved through the Rough Sleepers Initiative and Rough Sleeper Unit programmes which funded additional direct access and move-on accommodation, “assertive outreach”, specialist support and tenancy sustainment services.

Taking a broader perspective, however, a less positive picture emerges on homelessness in England. In 2003, 137,440 households were accepted by housing authorities in England as homeless and in priority need. This means that, after some decline in the mid 1990s, the current number of statutorily homeless households has almost reached the record high of 1991 (when 145,000 households were accepted). While it is not clear at the moment whether this figure will continue to rise or a plateau has been reached, there is undoubtedly a serious social problem to be addressed.

The number of households in temporary accommodation—the other key “official” measure of rates of homelessness in England—is also a matter of concern. This has more than doubled over the past six years, from just under 50,000 at end June 1998 to almost 100,000 at end June 2004.

However, it should not be assumed that all temporary accommodation is poor quality or inappropriate; nor is the experience necessarily a long-term or negative one. While London, the South East and some rural areas with high housing demand are characterised by statutorily homeless people spending protracted periods in temporary accommodation, this picture is not universal. Many households accepted by authorities in the Midlands or the North, for example, are accommodated in local authority temporary stock for relatively short periods of time before gaining access to permanent rehousing.

Some women—especially those who have experienced domestic violence—find that a short time spent in a good quality women’s refuge or other appropriate temporary accommodation is a valuable “breathing space” before making decisions about their long-term future and housing. Young people who cannot return to the family home, particularly within the cities, are quite often rehoused into supported forms of temporary accommodation that can work towards both their establishing and sustaining their own home and assist with engagement with education, training and employment.

However, stays in temporary accommodation can be very disruptive, particularly when this involves multiple moves, or places a family far from home. Children tend to be particularly badly affected by disruption to their schooling and friendship networks. Lengthy stays may make it difficult for households to resettlement. Particular forms of temporary accommodation, most notably Bed and Breakfast, can place severe stress on homeless households, and the Government’s recent success in reducing the numbers of families and other households in this form of accommodation is very much to be welcomed, especially in the context of an overall rise in the number of homeless households. Bed & Breakfast is now very much a minority experience amongst statutorily homeless households, even in London, with private sector leasing and local authority or RSL stock far more commonly used as temporary accommodation.

It is important at this point to emphasise the particular scale and complexity of the homelessness problem in London. London accounts for around a quarter of all homelessness acceptances in England, and around 60% of households in temporary accommodation, even though only 14% of the population lives there. Households also tend to spend far longer in temporary accommodation in London than elsewhere: the Audit Commission recent reported an average of 22 weeks as compared with seven weeks in England overall. This means that London Boroughs account for a highly disproportionate share of the total expenditure on temporary accommodation in England (60%).

These official statistics by no means capture all of those who experience homelessness in England; rather only those who approach and are recorded as such by a local authority. There will be an (unknown) number of people who are “hidden” from these statistics, with qualitative evidence of, for example, a pattern of marginalised young men “sofa-surfing” around friends houses in both rural and urban areas, and spending occasional nights sleeping rough. It would be a very major exercise indeed to attempt to quantify the numbers of people in this “hidden homeless” population.

### 3. EXPLANATIONS FOR THE RECORD LEVELS OF HOMELESSNESS

The rising numbers of homeless acceptances noted above are due to some extent to the recent widening of the “priority need” categories which local authorities have a duty to accommodate. But there have been increases across almost all of the statutory homeless groups since the late 1990s, suggesting an underlying upward trend.

The central question on causation is perhaps this: to what extent is homelessness attributable to housing market failures or to more complex “social exclusion” dynamics? To put this another way, do homeless households generally just have a need for affordable housing or do they have individual support needs that extend well beyond this?

CHP takes the view that the balance between the various causes of homelessness are likely to differ significantly across the Country. In the South of England, where there are high levels of housing stress, households with support needs may form a relatively small proportion of a much broader homeless population, many of whom simply cannot afford housing on the open market and do not constitute a priority for social housing (this is also likely to be the case in specific areas of housing stress elsewhere, like rural areas with high levels of second and holiday home ownership). In areas of less housing stress (some of the urban areas of the Midlands and the North), the balance we suspect is different. Since there is a relatively greater stock of affordable, accessible housing, homelessness may be less likely to be caused by simple income shortfall in relation to housing costs, and may instead involve a higher proportion of households who have become homeless due to support needs that affect their capacity to secure and sustain their own home. Within these areas, however, issues of housing quality and location will also be important (see below). London, as global city, is a special case: an area of extreme housing pressure but also high levels of poverty. Both the “housing need only” and the “socially excluded” groups will be very large here and the balance between them will be unique to London.

While we have qualitative evidence to support this hypothesis, the planned ODPM survey of homeless families and lone 16 and 17 year olds will present the key opportunity to test it in a quantitatively rigorous manner. This evidence should allow for more appropriate targeting of (housing and support) interventions for homeless people at regional, sub-regional levels and local levels.

#### 4. WHAT NEEDS TO BE DONE

##### *Addressing housing shortage*

In large part, the key to reducing the overall level of homelessness in England lies in addressing affordable housing shortages in the South (that is, unless a way can be found to shift labour and housing demand northwards, but this would require a degree of intervention in the economy that the Government seems unlikely to countenance). Plans announced by both ODPM and Treasury to bring about a “step change” in housing supply in the South East are therefore very welcome, but recent CHP research has demonstrated that housing affordability problems are not confined to this region. Outside London, access to home ownership is most problematic in the South West, followed by the South East, with a number of northerly “hotspots”—such as rural areas attractive to retirees, commuters and second home owners—also displaying very high house price to income ratios. These pressures “higher up” the housing market ultimately squeeze the available accommodation for the most marginalised groups vulnerable to homelessness; and there is a very close relationship between housing affordability measures and average length of time spent in temporary accommodation by homeless households. Extensive North American research on family homelessness has demonstrated that provision of suitable affordable housing in that society is the predominant factor allowing families to sustain a successful exit from homelessness.

##### *Addressing housing and neighbourhood quality*

In areas of less housing stress, such as urban areas in the North and Midlands, it is often housing and neighbourhood quality that are the key problems. Homeless people may be reluctant to move out of temporary accommodation because the permanent accommodation on offer is in poor condition, or is located in an area in which they feel unsafe because it is characterised by higher than usual levels of crime and anti-social behaviour. The social dislocations in such areas reflect high levels of poverty and disadvantage concentrated within these communities. While the Government has undertaken major and very welcome initiatives in addressing the problems of disadvantaged neighbourhoods, these are swimming against the tide of what appears to be growing residential segregation as households “spatially sort” themselves into ever more homogeneous communities—those with choice seem to be putting as much distance as possible between themselves and poor people. The housing available to homeless people tends to be located in the least attractive neighbourhoods that result from this process. Those who are vulnerable to neighbourhood-based harassment, such as ethnic minorities or those with community care needs, may be especially reluctant to accept housing in such areas, and homeless parents are usually particularly concerned about the impact on their children of moving into “rough” neighbourhoods. These concerns have been repeatedly recorded in academic and policy research on the “residualisation” of the social rented sector over the last decade.

##### *Strengthening the statutory safety net*

Recent extensions in the “priority need” groups in England are very welcome as the groups identified are very vulnerable indeed (particularly 16 and 17 year olds, care leavers and victims of violence). However, these amendments still leave a great many single homeless people outside the statutory safety net; these groups are not entitled to even emergency accommodation, meaning that any service they receive beyond advice and assistance is at the discretion of the relevant local authority.

In Scotland, a wider role for local government in addressing the needs of single homeless people has been legislated for the Homeless Etc. (Scotland) Act 2003. This involves the phasing out of “priority need” over time so that by 2012 all homeless households will be entitled to permanent rehousing (those who are “intentionally” homeless will have this right suspended temporarily). The Housing (Scotland) Act 2001 has already provided for a right to temporary accommodation for all homeless people, regardless of priority need. While it could reasonably be argued that it would be extremely difficult at present to impose such a duty on English local authorities because of acute shortages of social and/or affordable housing in many places, such shortages also exist in many parts of Scotland, and the phased extension of priority need is intended to take place only once local authorities’ capacity to cope has been demonstrated. It would be helpful to monitor Scotland’s experience over time with a view to its possible applicability (in modified form) to England.

##### *Meeting support needs*

There has been growing recognition in recent years of the support needs of single homeless people, including those associated with a lack of independent living skills, social isolation, and mental health or addiction problems. While we have some sense of the nature of those support needs, we have little sense of their extent, except in relation to rough sleepers (who are an extreme group and constitute a small proportion of a much larger single homelessness problem). At present, even less is known about the support needs of homeless families, although the planned ODPM survey of homeless families and lone 16 and 17 year olds presents a key opportunity to address this. The importance of a robust quantitative mapping of the support needs of both homeless families and single people cannot be over-emphasised. This information is crucial to

the appropriate targeting of resources aimed at helping people to sustain accommodation. As noted above, it is CHP's view that the proportion of homeless households with support needs is likely to vary significantly across the Country, but the data does not currently exist to test this hypothesis.

The Supporting People programme is a potentially very significant innovation that can help to address the support needs of both homeless families and single people. The rationalisation of previous funding streams into one grant that can provide sustained financial support for supported housing services, transitional ("move on") accommodation and floating support services is a significant strategic improvement. Supporting People also provides the potential to develop a range of preventative services aimed at those households and groups, like marginalised young people, who are at heightened risk of homelessness. While the programme is newly established, some early difficulties are apparent. Supporting People services cannot presently engage with 16–17 year-olds, nor can they (unlike in Scotland) support projects entirely focused on people sleeping rough. It is sometimes difficult for services to engage with homeless families as Supporting People grants cannot be used for work with children (meaning services for this group need to seek funding separately for children's workers which, despite the Surestart and Connexions programmes, is not always easily available). However, promising approaches have emerged in Shelter projects recently evaluated by CHP, demonstrating the value of low intensity "floating" support in reducing the risks of recurrent homelessness and providing more stable homes for children within homeless families.

## 5. DATA REQUIREMENTS

The PIE in England (the returns local authorities make to ODPM on homelessness applications and actions) offer a much more restricted data set on homelessness than the equivalent HL1 in Scotland. Even information as basic as age and gender of head of household are not recorded in the PIE summary returns (ODPM is currently attempting to improve data collection). The HL1 provides more detailed information on household characteristics, including some data on experience of rough sleeping (providing a much more robust source on this phenomenon than "street counts") and postcode of last settled home (this potentially allows for a detailed geographical mapping of homelessness). HL1 is also a more useful data source because individual returns are made on each homelessness presentation (with a unique identifier used to eliminate double counting and to allow the incidence of "repeat homelessness" to be quantified); whereas the PIE are simply summary returns.

PIE is designed to monitor the decisions and actions of local authorities under the homelessness legislation, rather than to provide information on homeless households. This form of data collection limits our understanding of homelessness in England, and of the scale and nature of interventions required. This was illustrated by CHP recently when, in investigating the scale of youth homelessness in England for Centrepoint, we found that we had to extrapolate from Scottish figures. While full replication of the detailed Scottish approach is probably not possible in England, due to its far larger scale and administrative complexity, some important improvements in the PIE data should be relatively straightforward to achieve. In recent work for ODPM, CHP found that most local authorities already recorded homeless households' composition and other details, thus it should be possible to collate this centrally without placing a significant additional burden on local authorities.

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### **Memorandum by Focus Housing (HOM 66)**

#### INTRODUCTION TO FOCUS HOUSING

Focus Housing is the largest entity within the Prime Focus Regeneration Group. It is responsible for delivering the Social Investment agenda for the Group. Focus Housing contributes real help, daily, to improving the lives of those experiencing disadvantage. It provides affordable housing and practical support to people encountering problems related to unemployment and poverty. Focus Housing manages more than 12,000 units of social rented stock.

Prime Focus delivers employment and training advice and assistance, helps establish community facilities, offers support on health issues and advice on business.

Focus Housing's resources include:

- Over 12,000 rented homes in the West Midlands.
- £20 million invested annually in housing and community regeneration.
- A £5 million internally funded Home Improvement Programme, a community infrastructure of seven offices.

Recently launched as a separate entity within the Prime Focus Regeneration Group, with over 1,800 units of accommodation across the Midlands, Focus Futures is a major provider of housing with care and support services.

Focus Futures is recognised nationally and locally as providing innovative and high quality services to some of the regions most socially excluded people.

These services are delivered to people with a range of needs including:

- Homelessness.
- Mental Health and Learning Disabilities.
- Older People.
- Younger People.

All of our services provide opportunities as well as accommodation and support. Services are delivered in the West Midlands by directly managed projects, and working in partnership with key experienced voluntary and statutory sector providers.

*The overall level and nature of need for housing for homeless people*

Included within Focus Futures is the Homeless Services Centre, a Birmingham based centre including street outreach to rough sleepers, drop-in housing advice, refugee projects, a Bond Scheme, drug support, and tenancy support. In 2003–04 the centre had over 10,000 contacts with service users, representing 4,000 individuals, of these 872 experienced rough sleeping at some point in the year. Our Housing Advice service found that where there was a need for emergency accommodation, on 590 occasions we could find emergency accommodation, on 598 occasions we could not find emergency accommodation for that night. It is our estimate that at least 90% of these service users do not show up in the City Council returns on homelessness, as they will not have engaged with the Housing Department, they are therefore to a large degree hidden.

Eight years of experience in providing services to people that sleep rough, in addition to direct access hostel provision, and a multiple needs unit (for those who are excluded and have complex needs) has shown a change in the nature of need. The homeless client group has become younger, and problematic drug use has grown as the most significant contributory factor.

The following figures are generally representative of the rough sleeper and single homeless population being worked with:

Problematic drug use	70% +
Problematic alcohol use	25% +
Poor mental health	12%
Poor physical health	19%

Here where something is described as problematic, the issue is impacting directly upon the ability to function around finding and sustaining within accommodation. The level of demand for accommodation is compounded by the complex needs presented by those requiring accommodation. To make accommodation work there must be a partnership of services addressing the needs while accommodation is provided.

Need figures from General Needs around the application rates of homeless people etc.

The success of policies meeting the needs of homeless households, in particular:

- (a) families, and
- (b) single people.

Single people who are homeless have available to them more support via Supporting People funding, than previously, this includes support work delivered in hostels, and tenancy support attached to tenancies. This is to be welcomed, a gap however within this framework is how to provide continuity of support, and often harm reduction, to the more chaotic and neediest of single homeless clients. Where the individual is unable to settle in supported or general need accommodation, and experiences many changes in circumstances—rough sleep/friends floor/squat/prison/hostel, Supporting People contracts cannot enable work to follow this persons need. Here flexible, grant funding is vital in providing Housing Advice, Outreach, and Crisis Intervention work.

More single people are now potentially within the Priority Need categories, with the inclusion of those leaving the Armed Forces, Prison, 16–17 year olds and Care Leavers. This extension of duty is good, however it underlines the fact that Local Authorities are identifying housing need, and vulnerability, without fitting together the necessity of meeting both the housing need and the needs relating to the vulnerability. While the intention remains that Social Services and Housing work better together, the ability of Social Services to provide adequate assessment and services to the client group who are vulnerable is very limited.

The current framework means that it has remained the case that an individual in housing crisis, who is vulnerable, needing emergency accommodation may have to go through the route of a homeless application to get into temporary accommodation. This process inevitably results in a permanent offer of accommodation, this permanent offer may not be what was desired or intended, and may be beyond the capabilities of the individual. On our part there is a reluctance to send a homeless person to make a homeless

application, unless there is some confidence in their capacity to cope with the final outcome—a permanent tenancy, however sometimes when they are in immediate need and vulnerable the homeless application is the only way to get accommodation for the immediate future. A process which allows for more account of support needs, and isn't an unremitting track to a permanent tenancy is preferable.

(c) those who are intentionally homeless.

The adequacy of investment in housing for homeless people and the quality of accommodation available for them.

An important principle to Focus Futures in the provision of accommodation for homeless people is that the accommodation should be of a high quality. It is worth illustrating this with the fact that our Multiple Needs Unit—15 self contained flats, for men over 25 who are excluded from hostels and have multiple needs, is accommodation of the highest standard. The quality of the accommodation positively impacts the ability to manage a challenging set of needs and improves the outcomes achieved with this client group. This commitment runs across all our properties, but also comes into tension with the ability to invest in updating existing structures.

Self-contained, good quality, safe and affordable accommodation should be the basis of any provision for people who are homeless.

It is also clear that projects for the homeless compete with the commercial market place for land and properties. The strength to resist commercial pressures and the ability to exist in this environment makes the development and improvement of sites difficult.

The work of the Bed and Breakfast Unit to reduce the use of B&Bs by Local Authorities as temporary accommodation, is to be welcomed. Concerns however remain that accommodation, which is tangibly no different from a B&B is being used, without the B&B label. This accommodation remains largely outside of normal regulation applied to Social Housing.

#### *Factors affecting the successful implementation of the Homelessness Act 2002*

- The location of provision for homeless people relative to where they live.
- The balance of public investment in housing for key workers and homeless people.
- Priority for the homeless within the overall allocation of social housing.

With the extension of Choice Based Lettings, Large Scale Transfer, and the profile of Anti-Social Behaviour as an area of concern, homeless people can become further excluded within the overall allocation of social housing. Letting schemes, which promote local connection to an area, greater resident involvement and more stringent vetting of applicants, can all result in the exclusion of homeless people. The greater the risk or vulnerability presented by the individual, the further this exclusion will go.

#### *Whether the non-housing services provided for homeless people are adequate and are coordinated with housing provision*

Non-housing services are vital to success of housing provision for homeless people. Failure to adequately meet the needs around drug, alcohol, offending behaviour, mental ill health and other issues will result in housing provision never effectively engaging with the homeless person. Criminal Justice matters tend currently to bring some coordination about, partly because much of the available funding has criminal justice outcomes attached, and there is a desire on the part of commissioners to “harvest” as many outcomes as possible.

In other areas there is little coordination with housing provision, resulting in agencies relying on homeless application routes with clients, the outcomes of which can feel more lottery than coordinated care plan.

#### *Whether public agencies are effective in preventing people becoming homeless*

One of the most intractable areas of public administration that can cause homelessness, is the housing benefit system. While good reason exists for clear checks on the identification of a claimant, the requirements of verification, added to an inadequate bureaucracy, result in putting tenancies of vulnerable people in jeopardy. Indicative of this is the amount of time housing support staff, spend securing housing benefit income, rather than providing the more holistic support service.

It is possible for a Local Authority to develop a culture of housing management and meeting of needs through the Homeless Application as the primary tool. Where the operation of regular lettings systems, and referral protocols fail to give adequate access to accommodation opportunities, the Homeless route becomes the fall-back position, and then the first choice. When this becomes the reality there is a disincentive for clients and authorities to prevent people becoming homeless.

More is currently being done to prevent homelessness at point of discharge from prison or YOI. The development of best practices now needs to be encouraged across the range of services and geographical spread. The same level of concern needs to be given to hospital discharge, preventing discharge to homeless status.

*Move on*

It continues to be the case that in most local authority areas in which we operate as a group there are problems with moving people to permanent accommodation. Direct access/Supported Housing projects continue to be experiencing high levels of occupancy whilst not always having access to this extremely important second stage accommodation.

It continues to be the case that local authorities do not prioritise single male applicants and this generally is the profile of hostel customers appropriate accommodation is not made available or that the accommodation is in extremely hard to let areas or is in a very poor state of repair. It is also our experience that a decision on a homeless application can take up to 38 days to be made. Obviously during that period of time La's are paying for temporary housing solutions that are again expensive.

Clear thought should be given to the actual costs of temporary accommodation over and above that of permanent accommodation.

It's always the case that direct access/supported housing are sometimes three and four times the cost of a single flat in the community. It is the case that floating support schemes exist in the community with advent of SP funding and these are welcomed.

Additionally it would be good to encourage debate about current gaps in provision that existing services could be encouraged to think about providing for. One example is that of pre tenancy support.

*Chris Munday*

Exec Director, Focus Futures

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**Memorandum by the Chartered Institute of Housing (CIH) (HOM 67)**

1. INTRODUCTION

1.1 The Chartered Institute of Housing (CIH) is the only professional body for individuals working in housing. Its primary aim is to maximise the contribution that housing professionals make to the well being of communities. Membership status is dependent on completion of a professional qualification and a track record of professional achievement.

1.2 CIH has over 18,000 individual members working for local authorities, housing associations, Government bodies, educational establishments and the private sector. Many of our members are engaged in day-to-day work in preventing and addressing the problems of homelessness.

1.3 CIH welcomes this inquiry and the opportunity it provides for a deeper investigation into the level and nature of homelessness, and the corresponding need for investment in support and preventative services.

2. EXECUTIVE SUMMARY

2.2 We acknowledge the positive steps that the Government has taken to address the most extreme manifestations of homelessness—rough sleeping and the use of Bed and Breakfast accommodation for families with children. Following the Homelessness Act there has been a real attempt to adopt a more preventative approach, which should be encouraged.

2.3 Our main recommendations for moving forward include:

- Continue to increase levels of investment for affordable housing.
- Make better use planning guidance to depress land prices to deliver some types of affordable housing (eg for key-workers) through the market.
- Reduce the use of poor quality temporary accommodation in the long term.
- Give landlords greater confidence in letting properties to 16–17 year olds.
- Strengthen the Children's Bill to provide better accommodation options for intentionally homeless families with children.
- Make temporary and permanent accommodation available in more locations to reduce disruption to children's education and other services.
- Better monitoring of the effects of various initiatives, to ensure they are implemented sensitively and are having the desired impact.
- Government loans to "kick start" initiatives that are expected to make savings in the long term.

- Change plans to reduce the Supporting People budget, as this is likely to affect the support services to certain homeless people significantly.

### 3. LEVEL AND NATURE OF NEED

3.1 Levels of homelessness have increased consistently over the last few years. Government statistics show a year on year rise in households found to be unintentionally homeless and in priority need from 102,430 in 1997–98 to 137,000 in 2002–04. This is approaching the 1991–92 peak of 145,080 (Shelter). The proportion of households accepted from BME groups has increased to a far greater extent than amongst the population generally—perhaps reflecting the need for a greater variety in the size and type of housing required. Also, the numbers found to be in priority need but intentionally homeless have more than doubled in seven years from 1997–98.

3.2 By the end of the year, it is expected that the numbers in temporary accommodation will have risen to 100,000—a further indication of the level of need.

3.3 A number of factors appear to be contributing to this rise. Broad “structural” influences include:

- the overall shortage of accommodation, examined in the Barker Review, resulting in increased house prices;
- high rent levels in the private rented sector; and
- insufficient social housing available, due to a decline in the numbers being developed and loss of stock through right to buy.

3.4 The lack of supply and increased costs has meant that households who would not formerly have encountered difficulties are experiencing real hardship in securing accommodation.

3.5 The extension of the “priority” category to 16 and 17 year olds, and those vulnerable due to life experiences such as mental health problems, leaving institutions etc is very welcome. Nevertheless, the changes have placed greater pressure on local authorities.

### 4. SUCCESS OF POLICIES

4.1 Successful policies geared towards individual homeless households are essential, but meeting the needs of homeless households in the long run will depend on adequate investment to increase the supply of housing.

4.2 The emphasis on prevention in the Homelessness Act is starting to have a positive effect in many areas, although the resource levels made available for implementation have been far too small. The Homelessness Act is discussed further in section 6.

#### *Families*

4.3 Local authorities have responded to the target to stop the use of bed and breakfast accommodation for families with children (except in an emergency for a limit of six weeks) so well that that target has largely been met the use of B&B overall seems to be reducing. The increasing number of homeless applications will continue to put this target under pressure, and local authorities must plan strategically to continue to drive down B&B use.

4.4 However, the target is very limited and includes only private B&B accommodation, not that under local authority ownership. In the long term it will be important to address this within the context of reducing the use and standard of temporary accommodation more generally. Quality issues could be dealt with by greater use of RSL properties and the adoption of measures to improve the private rented sector. Reducing the use of temporary accommodation will depend on the availability of adequate numbers of suitable properties.

4.5 In addition, support services are needed that help to mitigate the effect of homelessness on families, and children in particular—links into Sure Start programmes for example, and ensuring that homeless families can access GPs etc. Better arrangements will depend on better joint working between housing and social service teams around homelessness.

#### *Single people*

4.6 Homeless single people have, in the past, only been eligible to receive very limited help from local authorities—that of housing advice. The extension of priority need to 16 and 17 year olds, and other single people made vulnerable due to certain circumstances has been a welcome one and applications from young people have increased. This would be expected and should be seen as a measure of success of this policy.

4.7 The Rough Sleepers target has been achieved. However, the surveys/counts on which success is based are limited in their capacity to accurately measure the full extent of rough sleeping. Many homeless people of necessity do not disclose where they sleep, and evidence suggests that many are not being counted when

the survey (which provides a snap-shot only) is undertaken. There are several schemes coordinated through various voluntary organisations that record the experiences people have of rough sleeping (such as Liverpool's multi agency monitoring). If these data-sources were more widely used, a fuller picture could be developed that could also be used to shape the nature of accommodation and support services need.

4.8 In seeking to prevent homelessness, many local authorities are using mediation, particularly for young people at risk of homelessness due to family disputes. This is to be welcomed, as long as it is recognised that this will not be appropriate in cases where the young person is at risk, for example. We are concerned that mediation may be being used as a means of avoiding a proper homelessness investigation.

4.9 There can be difficulty in accessing suitable accommodation for 16-year olds. Landlords (including RSLs) are often uncertain whether under 18s are able to take on tenancies and of the means of redress where rent arrears accrue. Rent guarantors are not always available. Alternatives such as licences and equitable tenancies need to be more widely used to overcome the reluctance of RSLs and other landlords in accepting young people.

4.10 For young people or those vulnerable due to leaving care or other institutions, suitable support services (as well as accommodation) are crucial. It is important not only that these services are adequately funded, but that training for front line staff is available to identify those needing support—many may not request it if they are under the impression that this will make them less likely to gain accommodation.

#### *Intentionally homeless*

4.11 We are aware, anecdotally, of significant variation in the categorisation of homeless applicants by local authorities between intentionally and unintentionally homeless. This may be an effort, by some, to make their homelessness caseload manageable.

4.12 For families found intentionally homeless but in priority need, there should be greater clarity over the opportunities that a local authority has to provide assistance under section 17 of the Children's Act. Joint working with housing to provide such help wherever possible should be developed, as an alternative to the trauma caused to a family where the duty to the children is fulfilled by them being taken in to care. Greater resources for this help should be made available, in consideration of its potential for prevention of distress to children and families, of the cost of keeping children in care, and the adverse effects this can have on their long term health, development and life opportunities, including possible future homelessness.

4.13 The Children's Bill provides an opportunity to strengthen the provision for such joint working and the recognition of suitable, adequate housing as fundamental to the well being and development of children. Unfortunately this is currently lacking from the Bill, and may come to be seen as a wasted opportunity.

## 5. INVESTMENT IN HOUSING AND HOUSING QUALITY

5.1 The additional spending on housing in the SR04 is welcome, but inadequate to meet the level of housing need (including homelessness). There is scope for more affordable housing, of a range of types, to be produced by capturing the value of land. We are not convinced that the Planning Gain Supplement recommended in the Barker Review is the best way of achieving this, but favour a local charge that can be requested in numbers of affordable units (on site and mixed together with market housing) rather than in cash. This will make the new developments more sustainable in the long term.

5.2 In the shorter term, authorities need adequate investment to access suitable temporary accommodation and to provide appropriate support.

## 6. IMPLEMENTATION OF THE HOMELESSNESS ACT 2002

6.1 The focus from the Act on prevention is a welcome one, but reshaping services to address this takes time and resources (including for staff training).

6.2 Monitoring of the effects of various initiatives, to ensure they are implemented sensitively and are having the desired impact (such as the use of mediation) also consumes resources (time, training and funding). The additional funds provided to address this were inadequate. One local authority was granted only one tenth of the resources it bid for.

6.3 In general, local authorities are offering a broader service, although some are still very reactive. Where effective homelessness strategies have been developed, local authorities are finding them a useful ongoing tool to get a better handle on the nature of homelessness and support needs, enabling them to tackle the issues in terms of priorities for action.

6.4 The introduction of schemes such as Harrow's Home Finder requires investment in the incentives provided to private sector landlords to participate. Many such schemes save money in the long term, but local authorities can experience difficulties in finding the funding to invest. We suggest that Government should consider providing loans to "kick start" specific prevention schemes that are expected to lead to long term savings.

6.5 The strategies must embrace support services to prevent loss of accommodation, repeat homelessness, and address behaviour patterns which can contribute to homelessness (eg debt advice, changing anti-social patterns of behaviour etc). The short and long term impact of wider housing policies on homelessness also needs to be considered and planned for—how compulsory purchase and decanting of areas is handled in areas of market renewal for example.

## 7. LOCATION OF PROVISION

7.1 The location of provision of housing, especially temporary accommodation is very important. The experience of homelessness can dislocate households from all of their natural lines of support (friends and families). Children's education can be disrupted by the experience of one or more moves, and permanent offers can frequently be in areas too far removed from current schooling etc. Most council have two or three hostels for temporary use and frequently this can lead to children having to attend a different school for a short period, with the likelihood of another school move when permanent housing is found.

7.2 Under the Homelessness Act 2002, applicants can request a review of suitability but given the pressure of resources and alternatives available, there are great difficulties in this. Schemes to access more private rented sector accommodation throughout a locality (for temporary or permanent housing) may help to redress this.

## 8. BALANCE OF INVESTMENT FOR HOMELESS PEOPLE AND KEY-WORKERS

8.1 CIH acknowledges the issues for key-workers that the Government is seeking to address, although we and others have voiced concerns about the narrow definition of key-worker that continues to be applied. We are concerned, though, that Government sees fit to top-slice the budget for key-worker housing, but not for other types of housing need.

8.2 We do not think this is necessarily an either/or issue, but there could be a win-win outcome. Much of this housing, particularly the key-worker element (shared/low cost home ownership) could be provided through the market, rather than requiring direct public subsidy, if land values could be encouraged to respond to published planning policies on affordable housing supply and mix. This is partly being addressed through the review of PPG3. Public subsidy could then be directed at areas with already low land values and towards property types that require higher levels of subsidy—to make unviable developments viable.

## 9. PRIORITY IN ALLOCATIONS

9.1 The method of allocating priority differs between local authorities, and in agreements with RSL partners. In particular it is important for research to assess the impact of Choice Based Lettings systems are having on the ability of local authorities to meet the obligations to homeless households, and the experiences those households have had in accessing permanent housing within that context.

9.2 The Housing Corporation's Code of Guidance refers to the obligation on RSLs to help local authority partners. There is, though, no explicit reference to helping local authorities meet obligations to homeless households. Amending the Code to include this, and making good practice/protocols widely available, might persuade RSLs to assist councils more in discharging their homelessness duties. This is particularly important where councils have transferred their stock. There is some indication that nomination failure rates are increasing raising concerns about the implications for homeless households (Pawson and Mullins, *Changing Places: Housing Association policy and practice on nominations and lettings*, 2003).

## 10. COORDINATION OF HOUSING AND NON HOUSING SERVICES

10.1 Coordinating services properly can improve the quality of life for homeless households immensely. It can reduce disruption to children's education and health services, for example, and ensure that support services are not "lost" when the household moves. For many local authorities there is still some way to go before successfully coordinating these services. The ODPM's Homelessness and Housing Support Unit and the Department of Health have produced a publication aiming to address some of these factors (*Achieving Positive Shared Outcomes in Health and Homelessness: A Homeless and Housing Support Directorate Advice note to local Authorities, Primary Care Trusts and other partners*, April 2004).

10.2 Many important support services that help to prevent homelessness and sustain tenancies are funded through the Supporting People programme. The reduction of this funding stream over the next three years is therefore a major concern in terms of how this will impact support to homeless households. Some of the needs of homeless people are multiple and complex—including mental health problems, addictions etc. There is a real concern that these less popular groups will suffer reduction in services in the context of reduced funding. Monitoring would help to ensure that this does not occur. A problem that has already arisen is the difficulty in coordinating capital funding through the Regional Housing Boards (RHBs) and the revenue funding under the locally administered SP programme which has caused delays to the development of new schemes. CIH welcomes the Government's recent call for RHBs to be proactive in resolving this.

11. EFFECTIVENESS OF PUBLIC AGENCIES IN PREVENTING HOMELESSNESS

11.1 Some local authorities have moved to a very strong and proactive preventative agenda with great success (such as Harrow). In other areas, schemes to more effectively monitor the extent and implications of homelessness are being developed, that provide valuable information to shape effective services (such as Liverpool’s multi-agency monitoring).

11.2 Greater working across public and voluntary sectors including RSLs is required to ensure delivery of provision that will meet the varying needs of homeless people. This kind of cross sector partnership working takes time and effort to develop, and this should be supported through investment such as loans for programmes that focus on a “spend to save” basis (the example of Harrow’s Home Finder scheme was given previously). The Homelessness and Housing Support Directorate’s funding allocation to local authorities should be maintained, if not increased.

11.3 It is important that services to prevent homelessness should be carefully monitored to ensure that they are being used sensitively and appropriately and are achieving real outcomes in terms of prevention. They should not become merely a means of managing a scarce resource—but of delivering a quality service that meets the needs of vulnerable people.

**Supplementary memorandum by the Foyer Federation (HOM 21(a))**

I am writing following the oral evidence session held by your Select Committee on Tuesday 7 December, at which Jeremy Drew, Manager of the Portsmouth Foyer gave evidence on behalf of the Foyer Federation.

Jeremy promised that we would supply further information to the Committee in relation to the success rate of Foyers in helping young people move into education or work. The figures we have are as follows:

<i>Status on entry</i>		<i>Status on leaving the Foyer</i>	
Full time work	8%	Full time work	24%
Part time work	7%	Part time work	11%
Government training	6%	Government training	23%
Student	0%	Student	17%
Long term sick	10%	Long term sick	9%
Other	13%	Other	16%
Job Seeker	42%		

I thought your Committee would also be interested in these other statistics:

<i>Characteristics on entry</i>	
Have been excluded from school	10.5%
Substance misuse	12%
Mental health	13%
Contact with criminal justice system	25%
Mobility impaired/wheelchair users	3%
Single parents	3%
Refugee status	2% (doesn’t include asylum seekers)
<i>Previous experiences</i>	
Previously slept rough	14%
Slept on friends’ floors	26%
Local authority care	7%
Foster parents	3%
Custody	3%

*Note:* these factors are not necessarily mutually exclusive and depend on the young person being willing to reveal this information.

David Clelland also suggested that a further expansion of Foyers would be helpful in supporting young people into independent living. As you know, there are now 130 Foyers across the UK, but I thought it might be helpful to give you an indication of areas with high deprivation indices where there are currently no operational Foyers:

<i>Area</i>	<i>Deprivation index</i>
North East	
Derwentside	12
Easington	12
Middlesborough	12
Redcar and Cleveland	10

<i>Area</i>	<i>Deprivation index</i>
Hartlepool	9
Chester-le-Street	8
Sedgefield	7
Stockton-on-Tees	7
North West	
Knowsley	12 (in discussion)
Burnley	7
Oldham	6 (in discussion)
Barrow-in-Furness	5 (in discussion)
Yorkshire and the Humber	
Kingston upon Hull	13 (in discussion)
Barnsley	11 (in discussion)
North East Lincolnshire	10 (in discussion)
Rotherham	7
North Lincolnshire	6
Eastern	
Great Yarmouth	6
Thurrock	5 (in discussion)
East Midlands	
Leicester	5 (in discussion)
Bassetlaw	4
Chesterfield	4
West Midlands	
Telford and the Wrekin	6
Cannock Chase	5
Nuneaton and Bedworth	5

There are also other areas with lower deprivation indices but an identified local need, where we are in discussions about developing Foyers.

I hope this information is helpful. If you would like anything further, please do not hesitate to contact me. Thank you for giving the Foyer Federation the opportunity to participate in this inquiry.

*Jane Slowey*  
Chief Executive

#### **Supplementary memorandum by Westminster City Council (HOM 38(a))**

Thank you for providing Westminster City Council with the opportunity to present evidence at the Committee's hearing on 30 November. The City Council has three main areas of concern in tackling homelessness, which I wish to briefly outline again for you.

We believe that the current system of funding temporary accommodation through Housing Benefit creates a poverty trap for residents. It is also an inefficient use of public resources. By paying tenants Housing Benefit at a rate equivalent to a social rent, with the remainder funded through direct Government grant to local authorities, the impact of loss of benefit when a tenant takes up employment would be greatly reduced.

The City Council is currently undertaking research into the employment barriers faced by homeless clients in temporary accommodation, including an impact assessment of funding changes. I will forward a copy of the results when these are published in the New Year.

Local connection rules mean that households can insist on permanent accommodation in the borough where a housing duty is accepted. With social housing investment increasingly being directed to regional growth areas, Westminster believes that local connection rules will need to be reviewed to enable effective regional mobility.

Rough sleeping continues to command our attention. Despite our best efforts, the number of rough sleepers has not come down to anything near an acceptable level. As we said in our evidence, every week for every 15 people helped off the streets, 14 more take their place and 42 people new to rough sleeping arrive.

We welcome the ODPM investment and commitment to working with us in partnership on this issue. Such support will need to continue as we move to a building-based approach to service provision in April 2005. We are confident that this move will enable us both to reduce the number of people on the streets and continue to provide a level of care required by the most vulnerable.

### Supplementary memorandum by Shelter (HOM 55(a))

In our oral evidence, we undertook to provide a note on the role of social services in working with local housing authorities to implement the Homelessness Act.

#### BACKGROUND

Social services have a critical role to play, both at a strategic and an operational level, by working with local housing authorities to prevent and to respond to homelessness through the provision of support. In recognition of this, the Homelessness Act included a specific duty on social services authorities to assist local housing authorities in carrying out homelessness reviews and developing their homelessness strategies. Social services authorities must also take account of the homelessness strategy in exercising their functions.

Section 12 of the Act also strengthened the duty on housing and social services to cooperate where a homeless family with children is not entitled to be re-housed under the homelessness legislation (usually because they have been found to be intentionally homeless or because of their immigration status). In these circumstances, the duty to assist “children in need” passes to the social services authority under the Children Act 1989. An amendment to the Adoption and Children Act 2002 confirmed that social services can provide housing assistance to homeless families in these circumstances.

The picture is further complicated by the Children Act 2004 which introduces new structures for integrating childrens’ services which are currently being piloted in 35 local authority areas through Children’s Trusts. The new childrens’ services will assume responsibility for childrens social services, thus separating them from adult services. This will include taking over responsibility for the welfare of children in need under the Children Act 1989.

#### SHELTER’S RESEARCH

Shelter carried out three surveys based on telephone interviews with a sample group of 28 local authorities to evaluate progress as the Homelessness Act was implemented. We also commissioned an in depth external assessment of 15 homelessness strategies which included telephone interviews with a range of representatives from each local authority. The findings from this research were published in our report *The Act in Action* earlier this year.

Despite the specific requirements of the Act, problems with joint working between social services and housing authorities were a consistent feature of this research:

- Our first survey, carried out as the Act was beginning to be implemented in August 2002, found that 75% of authorities identified that they needed to improve joint working with social services.
- Our second survey, six months later in February 2003 (and half way through the review and strategy process) revealed widespread concern about the extent of the involvement of social services in homelessness reviews, with particular concern about the lack of senior level engagement in the process. More than a quarter of authorities identified lack of engagement from social services as one of the main difficulties in conducting their homelessness review (second only to a lack of staff resources).
- The picture was still patchy by the time of our final survey at the end of the review and strategy process in July 2003. Although virtually all the authorities had been able to engage social services to some extent, many continued to raise concerns about the level of their involvement.

These findings were backed up by the research we commissioned for *The Act in Action*. This found an inconsistent level of engagement with the review and strategy process, with more than half of lead officers reporting the relationship with social services as being problematic. Where social services had been involved in the process, they viewed this positively. However, where they had not, they shared the concerns of housing authorities about their lack of involvement.

#### THE ODPM’S RESEARCH

In November 2004, ODPM published independent analysis carried out by Housing Quality Network of all 354 local authority homelessness strategies. This research identified similarly patchy engagement from social services in the review and strategy process (interestingly, it found no discernible differences between single and two-tier authorities). Although the vast majority of authorities had some degree of contact, the level and quality of engagement was often inadequate:

“In evaluating the reviews, researchers found that fewer than two-thirds of authorities showed clear evidence that social services had been involved in the reviews. About another quarter of LHAs had involved social services to some extent but in many cases this was no more than the involvement of other agencies, and often consisted of asking social services to comment on the draft document.” [paragraph 3.721

The research also highlighted the widespread failure of social services to provide information about the nature and levels of homelessness they came into contact with (eg the number of young people leaving care with no accommodation, people with mental health and/or substance misuse problems who are homeless).

#### CONCLUSION

The purpose of including specific duties on social services in the Homelessness Act was to ensure a corporate approach to tackling homelessness within local authorities. The failure of local housing authorities and social services to work together effectively undermines efforts to prevent homelessness and may have significant implications in individual authorities including:

- Poor rates of tenancy sustainment due to inadequate co-ordination between homelessness services and the provision of support.
- A failure to plan and respond effectively to likely levels of homelessness among key groups such as young people leaving care.
- Inadequate co-ordination of services for particularly vulnerable groups such as homeless care leavers, ex-offenders, substance misusers and people with mental health problems.
- Inappropriate use of temporary accommodation to house vulnerable groups.
- Difficulties in tracking mobile children who may be at risk and vulnerable adults.
- Increased costs as a result of the unnecessary use of temporary accommodation.

As we have highlighted elsewhere in our evidence, we are particularly concerned at the lack of joint working in cases where homeless families are not entitled to be re-housed under the homelessness legislation and, in particular, the widespread failure of social services authorities to exercise their powers to promote the welfare of children in need under section 17 of the Children Act in these circumstances.

#### RECOMMENDATIONS

We hope the Committee will include a positive recommendation on improving joint working between local housing authorities and social services in its report. Shelter suggests the following recommendations to achieve this:

- The ODPM research recommends that local authorities should bring forward plans for comprehensively reviewing their homelessness strategies—in doing so, they should ensure that social services are actively engaged in the process.
- To facilitate this, the relevant Government departments (ODPM, the Department of Health and DfES) should issue joint guidance on how local housing authorities should work with social services and Children's Trusts in light of the new arrangements introduced by the Children Act 2004.
- The Government should also look to find mechanisms for promoting good practice in this area eg via the Beacon Council scheme or by working with the IDeA.
- The relevant inspection bodies should monitor progress in this area.
- In evaluating the Children's Trust pathfinders, the Government should give careful consideration to the effectiveness of their working arrangements with local housing authorities and issue appropriate guidance accordingly.
- As set out elsewhere, much stronger guidance is needed on the responsibilities of social services (children services authorities under the new arrangements) under section 17 of the Children Act where homeless families are not entitled to be re-housed under the homelessness legislation.
- The Government should also promote the use of joint protocols between housing and social services such as the one developed by Norfolk County Council and its partner authorities.

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#### **Memorandum by Nacro (National Association for the Care and Resettlement of Offenders) (HOM 68)**

1. Nacro is the principal crime reduction charity in England and Wales. It works to reduce crime by:
  - Prevention—providing a range of opportunities for the social inclusion of marginalised people who are at risk of offending.
  - Criminal justice reform—working for a fair and effective criminal justice system.
  - Resettlement—preventing reoffending by providing resettlement opportunities of offenders.
2. Nacro's Housing Directorate—Nacro Community Enterprises—is registered as a housing association. It provides temporary supported housing and resettlement services to ex-offenders, people at risk of offending and other people with special needs. Nacro provides over 1,300 places in self-contained flats,

shared houses and small hostels to ex-offenders and others in need of housing help. Each year it accommodates nearly 4,000 people. At the same time it offers tenants resettlement support that will enable them to move on to more permanent, independent accommodation at a suitable time. It also provides:

- Flexible support packages (“floating support”) for local authority or housing association tenants or those in lodgings.
- Foyers for young people which provide training and employment opportunities alongside housing and resettlement support.
- Supported lodgings and bond deposit schemes.

3. Tenants of Nacro accommodation are:

- Ex-offenders, including ex-prisoners direct from prison and those who have committed serious offences, and people at risk of offending.
- Young people, including those who have been looked after by local authorities.
- People with mental health problems.
- People with substance abuse problems.
- Vulnerable parents and their children.

4. Nacro also provides housing advice in the community and in prisons. It has prison-based resettlement workers in around 80 prisons in England and Wales. Nacro has been contracted by the Prison Service to provide prisoners with housing advice as part of the ESF-funded PS Plus programme. Nacro housing workers in this programme succeed in finding sustainable accommodation on release for 73% of the prisoners they advise and temporary accommodation for a further 10%.

5. Approximately one-third of prisoners who are about to be released say that they have nowhere to stay. The reasons for this include:

- One-third of those entering prison had no fixed accommodation before they were imprisoned.
- A further one-third of those entering prison lose their accommodation as a result of serving a prison sentence. When prisoners lose their homes, because they cannot pay for storage of their possessions, they also often lose their possessions. Where they are primary carers for children, they frequently lose custody of their children and are unlikely to regain custody on release unless they have suitable accommodation.
- Although housing benefit can be paid during a short period in custody to enable accommodation to be retained, this is limited to a maximum of 13 weeks for sentenced prisoners (one year for remand prisoners). If a prisoner will be in custody for longer than this, housing benefit is not payable.
- Even if a prisoner gives notice promptly on a tenancy on entering prison, most housing providers require four weeks’ notice which makes it impossible to avoid owing rent of at least four weeks. In practice many prisoners do not give notice promptly and may also have accumulated past rent arrears. This rules them out of being rehoused by many housing providers until they have repaid the arrears.
- One-fifth of those imprisoned are home owners. They lose their entitlement to state mortgage assistance during sentence and for an eight week qualifying period after release.
- There is an absolute shortage of housing in some areas of the country, for example London and the South East.
- Some local authorities are unwilling to accept that prisoners have a local connection or designate prisoners as “intentionally homeless” on the grounds that they committed their offences intentionally.
- Some housing providers exclude certain groups of offenders.
- Many landlords require payment of a month’s advance rent and deposit, which few people released from prison can find.
- Past surveys have found that fewer than one-third of prisoners said that they had someone to discuss their housing problems with, and less than one-fifth had received help finding accommodation.
- Little use has been made of release on temporary licence of prisoners towards the end of their sentence for prisoners to travel to housing assessment interviews.

6. Housing for ex-offenders is crucial for the reduction of crime for the following reasons:

- Research studies indicate that ex-prisoners with stable housing are, on the most conservative estimates, one-fifth less likely to reoffend than comparable ex-prisoners who are released homeless. Some research studies have found higher differences. In one study, prisoners released to stable accommodation were less than half as likely to reoffend as comparable prisoners who were released homeless.

- It is much more difficult for a homeless person to obtain and sustain employment (over three times as many ex-prisoners with housing obtain jobs) and released prisoners who get and keep a job are between one-third and one-half as likely to reoffend than those who remain unemployed.
- It is more difficult for homeless offenders to sustain involvement in a drug rehabilitation programme and such programmes reduce the number of offences committed by participant offenders by over 70%.
- It is more difficult for homeless offenders to sustain involvement in offending behaviour programmes—for example, sex offender treatment programmes which halve the likelihood of further similar offending.

7. The Government has taken a number of welcome steps to increase the priority given to housing and other related resettlement issues for offenders. These include:

- The Prison Service has produced a Prison Service Standard and a Prison Service Order on resettlement, together with area resettlement strategies. As a result, more prisons have contracted with Nacro and other voluntary agencies to provide housing advice and assistance to prisoners.
- The Prison Service has established a Custody to Work Unit with funding for resettlement programmes in prisons geared to getting prisoners into both jobs and housing.
- The Homelessness Act 2002 extended the priority categories for housing to include people who are vulnerable because they have left institutions including prisons.
- The Prison Service has provided financial support to Nacro to provide advice to prisons on setting up housing advice services.
- The Prison Service has negotiated funding from the European Social Fund for the PS Plus programme, under which Nacro and SOVA are respectively contracted to provide housing and employment assistance to programme participants in a range of prisons.

8. In Nacro's view the following additional measures are needed to improve the prospects for offenders' housing:

- Housing advice services should be established in every prison. Advice should be available to every prisoner who requires it (at present many such services only cater for a proportion of the prison's population).
- Prompt steps should be taken when prisoners are received into prison to contact housing providers in order to keep their accommodation open for them on release where this is possible because of the short duration of the sentence.
- Where accommodation cannot be held open, prompt steps should be taken to surrender tenancies and make arrangements for the repayment of arrears, beginning with small repayments out of prisoners' earnings in return for a new tenancy on release.
- Systematic steps should be taken to ensure that all prisoners have recognised identification documents on release which will enable them to claim benefits.
- Housing providers should be asked to nominate prison liaison personnel with responsibility for liaison with housing advisers in penal establishments.
- The 13 week maximum limit on housing benefit payments to sentenced prisoners should be increased to 52 weeks in line with the position for remand prisoners.
- Increased use should be made of temporary release for housing interviews.
- The discharge grant should be increased to the equivalent of at least two weeks' benefit (currently it is the equivalent of one week's benefit but prisoners cannot obtain benefits until they have been released for at least two weeks).
- The new National Offender Management Service should require all Regional Offender Managers, prisons and probation areas to include housing advice, assistance and provision for offenders (including specific provision for women offenders and high risk offenders) in the services they commission.
- The Supporting People arrangements for the funding of social housing should be closely monitored to ensure that provision in all areas caters adequately for the housing needs of offenders.
- The provisions of the Homelessness Act 2002 should be strengthened to ensure that all local authorities meet their obligations to vulnerable released prisoners and do not unreasonably interpret "intentional homelessness" to exclude ex-offenders from entitlement to housing.
- All housing services for offenders should be monitored to ensure that they are meeting the diverse needs of offenders from all ethnic and cultural backgrounds.

**Supplementary memorandum by the Office of the Deputy Prime Minister (HOM 53(a))**

Thank you for your letter of 23 November to Yvette Cooper, about the Supporting People programme. In Yvette Cooper's absence on maternity leave I am replying as Minister with responsibility for these areas. I hope my answers to your questions are helpful in advance of the committee hearing on Tuesday.

*Q1. Several providers of services to homeless people have told us that their projects and planning are suffering because of the uncertain nature of Supporting People funding. Centrepoint, for one, told us of a proposed hostel project which could not go ahead, despite capital funding in place, because of a lack of Supporting People funding.*

*1a. Have you considered mechanisms for removing some of the uncertainty in SP allocations to allow for project planning?*

I recognise that there has been uncertainty around the funding of Supporting People but believe this is now largely resolved.

The announcement for Supporting People funds for this financial year (2004–05) was delayed and allocations were not announced until February. This followed concerns about growth in costs in the run up to the programme which took place throughout 2002–03 and were only fully recognised in July 2003. We commissioned an Independent Review to help us understand why costs had risen and to help determine what was an appropriate sum to pay for the SP programme. The Review reported in January 2004 and we announced funding for this year the following month. Yvette Cooper reported to you on this work at your last session.

While an earlier announcement would have been preferable, I believe it was right to wait for the findings of the Independent Review to ensure that public money was not being misused.

Announcements this year for funding in 2005–06 have been more timely. We followed the Independent Review with work on value for money in the programme. These included bringing forward Audit Commission inspections into 19 high cost authorities, a large scale survey on costs of services and an analysis of data received from authorities. These helped inform our discussions with Treasury and other Government Departments about the appropriate level of funding for Supporting People over the Spending Review period (2005–06 to 2007–08). Seven weeks after the main SR04 announcement I announced the three year funding settlement providing £1.72 billion in 2005–06, followed by £1.7 billion in each of the years 2006–07 and 2007–08.

While this involves an overall reduction in funding of 5% for next year, to provide some further certainty for authorities, I undertook that no authority would face a reduction next year of more than 7.5%. We have made clear to authorities that savings should not be made through unilateral across the board cuts. Efficiency savings should be identified through the service review process.

I announced the individual allocations for authorities for 2005–06 on the same day as the Local Government Finance Settlement was announced and so we are now in phase with the main Local Government (LG) timetable.

*1b. Could you set out a timetable for application and decisions on Supporting People availability and allocations that you think could address the problem?*

While we are now operating to the main LG timetable this does not mean that all uncertainty has, or can be, eliminated. We are developing a needs based distribution formula which will help allocate funds to areas of greatest relative need. This formula is well advanced and has been used to inform allocations for 2005–06 for those authorities which will face a longer term increase or reduction in funding. Early next year we will consult on finalising the formula and the rate and manner in which it will be used to inform future funding decisions. To help limit the outstanding uncertainty over funding I have committed that no authority will face a reduction of more than 5% in its allocation in either of 2006–07 or 2007–08. I know that authorities facing reductions cannot make these quickly and we will give careful consideration to the pace of change in funding.

Decisions about funding for individual schemes now rest with the local Supporting People authorities. It is for each authority to decide how it will manage its funding, including the development of new services. Savings can be achieved through the service review process which can then be diverted to new services or building the capacity of existing services that have a high priority within the local Supporting People strategy. Work on value for money (referred to above) has found that there are significant savings that can be made across the Supporting People programme.

Authorities are now drawing up their 5-year strategies for implementing Supporting People. These will contain details of how authorities' key priorities will be translated into deliverables. We have advised Commissioning Bodies, in drawing up their 5-year strategy, they may wish to indicate where they would make revenue available for development of new services.

*Q2. We have been told that work with rough sleepers is not eligible for Supporting People funding. Can you confirm this? If this is the case, why is this important area excluded?*

The programme can provide housing-related support to any vulnerable person who needs it. That would clearly include support for rough sleepers in moving towards independent living.

The Supporting People programme funds a substantial number of hostels providing housing related support to rough sleepers. At the time of Supporting People going live in April 2003 expenditure on rough sleepers amounted to £12.7 million. Additionally, expenditure on single homeless people with support needs was estimated at £288 million.

*Q3. The Supporting People review process has been criticised for concentrating too much on input over outcome. The Audit Commission inspection was held up as a good practice in this area. The length of the review has also been criticised, and local authorities are currently behind in their project reviews.*

This question is about the service review process that authorities undertake to review and assess the services they have inherited under the Supporting People programme. Before addressing the specific issues raised it may be helpful if I explain why we have required authorities to undertake these reviews.

Prior to the Supporting People programme, need for housing related services was generally identified by providers and authorities were not involved in deciding whether provision was necessary or appropriate in their local areas. Costs were covered through rental charges and clients would meet these charges through Housing Benefit or, in the run up to SP, through Transitional Housing Benefit. In effect there was little independent consideration of whether there was a real need for the services required, whether they were appropriate to the needs of users, or whether they offered value for money.

The Supporting People programme was designed (among other matters) to address these weaknesses. In April 2003, 150 administering authorities inherited about 37,000 contracts under the Supporting People programme about which they knew very little. We have required authorities to establish a programme of reviews over three years (to 31 March 2006) to scrutinise each of the inherited services. They must consider whether the service is strategically relevant, appropriate to users' needs, of an adequate quality, and provides value for money. This is part of the process by which we ensure that public money is being used for the purposes it was awarded and provides good value for money. This is a considerable undertaking and it is not surprising that some providers who, prior to Supporting People, were unused to being scrutinised, find the review process challenging.

*3a. Has any consideration been given to improving the SP review process? Have other comparable inspections been looked at for examples of good practice?*

While the service review programme is necessary to ensure that services meet user needs, represent a proper use of public funds, provide value for money, and are of high quality, I do recognise that the process is not being undertaken as consistently as it should be and that some authorities are not implementing it as effectively as they might.

ODPM undertook a review of the service review process earlier this year. A short guidance note on best practice in reviews was issued in August 2004.

Through our capacity building programme, we are working with authorities to reduce the burden of the accreditation process in line with guidance produced by the Office of Government Commerce (OGC) and Cabinet Office report "*Making a Difference Reducing Bureaucracy in Central Civil Government Procurement*" published in December 2003 and the 'Good Practice on Procurement of Services from the Voluntary and Community Sector' published by OGC and Home Office in June 2004.

*3b. What feedback has the department received itself on the review process?*

The service review process was initially piloted in December 2002 until September 2003 when feedback was sought and guidance then amended in line with comments from both providers and authorities. There has been no formal process for feedback on reviews, however feedback is collected on a regular basis at seminars and conferences and when visiting authorities.

*3c. The current review process is very paper based. Are there any plans to change this?*

We believe the review process is necessary and broadly sound, though we continue to look for ways to simplify its operation. There is still plenty of scope for reviews to be conducted more efficiently and in a more timely fashion and I have recently awarded an additional £2 million to authorities to help them complete reviews. Our service review positive guide was issued in July 2004 and emphasises the need to take a pragmatic approach associated with service reviews and that a standard service review report should generally be no more than four pages long.

3d. *As many reviews have not been carried out before the new round of funding has been decided, we have been told that cuts will therefore be made across the board, rather than decided in the light of which projects have performed badly. Is this true, and if so, is this fair?*

It is for authorities to decide how to make the efficiency savings we require based on their local knowledge and priorities. However, we certainly do not expect authorities to make across the board cuts and my letter to authorities announcing this year's allocations makes this clear.

Q4. *We have heard that applicants are having to assemble staff teams and spend considerable sums of money on their funding applications. Prime Focus estimated the cost of this work to them as £130,000 at the least. At the other end of the process, local authorities need to spend money on extra staff to assess these applications.*

4a. *Are you aware of these concerns? Are there plans to simplify the application process or make arrangements to ease the administrative burden on applicants and local authorities?*

I am aware that the procurement process has given rise to some concerns by both providers and administering authorities. However, Supporting People services are no different from other local authority services. Most local authority contracts are now subject to rigorous review—such as best value assessment. If a support provider wishes to win a contract to provide Supporting People services it is likely that they will have to go through some form of procurement process and there will inevitably be a cost to this. Procurement costs normally form part of an organisation's overheads which would then be recovered if the contract was won. There may be certain exemptions from the full impact of European regulations but decisions about procurement need to be taken by the administering authority in accordance with both European regulations and their own procurement strategies.

4b. *Has any assessment been made of the cost of administering Supporting People applications? Is the cost of administration included in the central programme funding, or ring-fenced?*

Each year we allocate to authorities an administration grant to contribute towards the internal staff and IT costs of delivering the Supporting People programme, this grant is un-ring fenced and is separate to the programme funding. The total amount awarded to authorities in 2005–06 is £40 million.

Costs incurred by providers are part of their normal procurement costs of tendering or negotiating for contracts. These are generally carried by the organisation's overheads.

4c. *Organisations are facing cuts in Supporting People funding next year. Can you assure us that this has not risen because of rising administrative costs?*

Yes. The reduction in funding for the Supporting People programme followed the work we undertook on value for money in the sector. The Independent Review identified wide variations in costs between similar authorities and for similar services. The Audit Commission inspections have identified substantial potential for authorities to make efficiency savings. Other research (the "Service Packages" work) has revealed wide variations in provider overheads and costs per contact hour. Taken together we believe there is a strong case that authorities can meet the reduced funding levels through better management of their programmes.

Any cuts faced by providers next year should only arise through negotiation or following a service review. This is a separate issue to the administration of the programme. Authorities cannot switch funds from Supporting People programme to their administration costs.

Q5. *Although assessment schemes for small providers have been developed, their use is restricted to organisations with less than one full time staff member and a contract value of under £5,000. The six core objectives for assessment under Supporting People is due to be extended in April 2006 by 11 supplementary objectives.*

This question is about the Supporting People Quality Assurance Framework, it might be helpful if I give some background to the Framework. The introduction of the Supporting People programme provided a unique opportunity to introduce national standards and measures, and the concept of continuous improvement and acknowledged best practice. For the first time, Local Authorities were required to oversee and commission local supported housing services. Many were uncertain how to assess the quality or value for money provided by services and sought guidance from ODPM.

In response, the Department set up the Quality and Monitoring Steering Group in March 2002. The steering group had cross-sector membership of all key interest groups—Local Government Association, National Housing Federation, SITRA, Health, National Probation Service, the Audit Commission, Housing Corporation, Social Services, and local authority and provider representatives plus a wider external reference group of around 40—with extensive cross-sector representation. Clearly this included providers and their representatives organisations including members of the voluntary and community sector.

The first guidance was published in December 2002, followed by the nine months of testing of the original methodology. The steering group worked with nine authorities and their providers to obtain comprehensive feedback on all the products.

A series of road shows were also held over this period, to obtain feedback, together with a further national consultation exercise. Feedback was again very positive and was considered in further developments. Revised versions of the QAF and Performance Indicators were issued in spring 2004.

There were requests for a reduced and simplified version of the QAF, for small providers and those with small contracts. Following further work on this the QAF "lite" guidance was produced and published on the spk-web last month.

Early proposals to extend the core objectives by 11 have been dropped. The core objectives are not mandatory, though some authorities may make the decision to apply these locally based on local circumstances.

*5a. Has thought been given to extending the assessment scheme for small providers to larger, but still comparatively small providers, for example those with up to 10 staff?*

The quality of services provided to vulnerable clients is at the heart of the Quality Assurance Framework (QAF). The requirements of the QAF lite are no different to that of the main QAF it is simply that the level of evidenced documented policies and procedures which are less stringent. For example, a sole trader would not be expected to have a written procedure for assessing support and delivering support for an individual, but should be able to inform the authority on how assessments and delivery of support is carried out. However an organisation with 6 to 10 members of staff would require a written procedure to ensure consistency, understanding and delivery of support in relation to assessing support and should therefore be reviewed under the main QAF.

Clearly there is a balance to be struck between protecting clients from poor (possibly risky) services and keeping audit and assessment to a minimum. Ultimately it is for an authority to decide on whether to apply the QAF lite based on local knowledge and an understanding of the risks facing clients.

*5b. What assistance, if any, is planned for small organisations faced with assessing another 11 objectives in 2006? Is any funded support planned?*

My officials have looked again at the proposals and advise that the core objectives are adequate. In the light of this, I have decided that use of the 11 supplementary objectives will not be made mandatory.

*Q6. It has been suggested to us that Supporting People funding is being "transferred" from schemes funded by Registered Social Landlords and the voluntary sector to those managed by local authorities. Have you monitored the balance of funding between the sectors? If so, do you agree with this assessment?*

There is no concrete evidence to support this suggestion. We are currently implementing a data collection system which will allow us to test this. We will receive information on this early next year and see what the evidence says.

*Q7. Some schemes that receive Supporting People funding are perceived by many as "unpopular" with the general public, and at risk from local political decisions*

*7a. Has thought been given to ring fencing funding for, for example, drug support work to ensure that funding is maintained despite any local decisions?*

We are not generally in favour of ring fencing where this can be avoided as ring fencing specific groups would cut across a principal objective of Supporting People to offer seamless services to vulnerable individuals who may face multiple problems.

At present, the main protection for unpopular services lies with the Commissioning Bodies who are responsible for the local Supporting People strategy. Commissioning Bodies include representatives from Primary Care Trusts, Probation, Social Services and Housing and oversee decisions on decommissioning sensitive projects. We are currently working with the Home Office to encourage the engagement of Drug Action Teams in Core Strategy Groups which support Commissioning Bodies and this should further help maintain and develop services for people who abuse drugs.

When I announced allocations earlier this month, a letter was sent to each authority and Commissioning Body setting out what we expect them to deliver with the SP funding. This makes clear that, as a preventative programme, Supporting People contributes to range of key government targets and objectives. Authorities and Commissioning Bodies are expected to deliver on these objectives and to fund services which support them.

Looking forward we are developing a key Performance Indicator to look at access to services for all client groups. This will allow us to track provision of services to all groups and identify areas where provision is inadequate. Data to support this indicator will be available from April 2005.

*7b. We have heard arguments that cuts in Supporting People funding may affect these “unpopular” schemes disproportionately. What is your response?*

There is currently no evidence to support this view but I agree it is a matter we must track carefully. As indicated above we are giving clear messages to authorities about what is expected from the Supported People programme and developing a much better picture of what is actually happening in the sector. We will challenge any authority we consider is not addressing the needs of all Supporting People client groups.

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