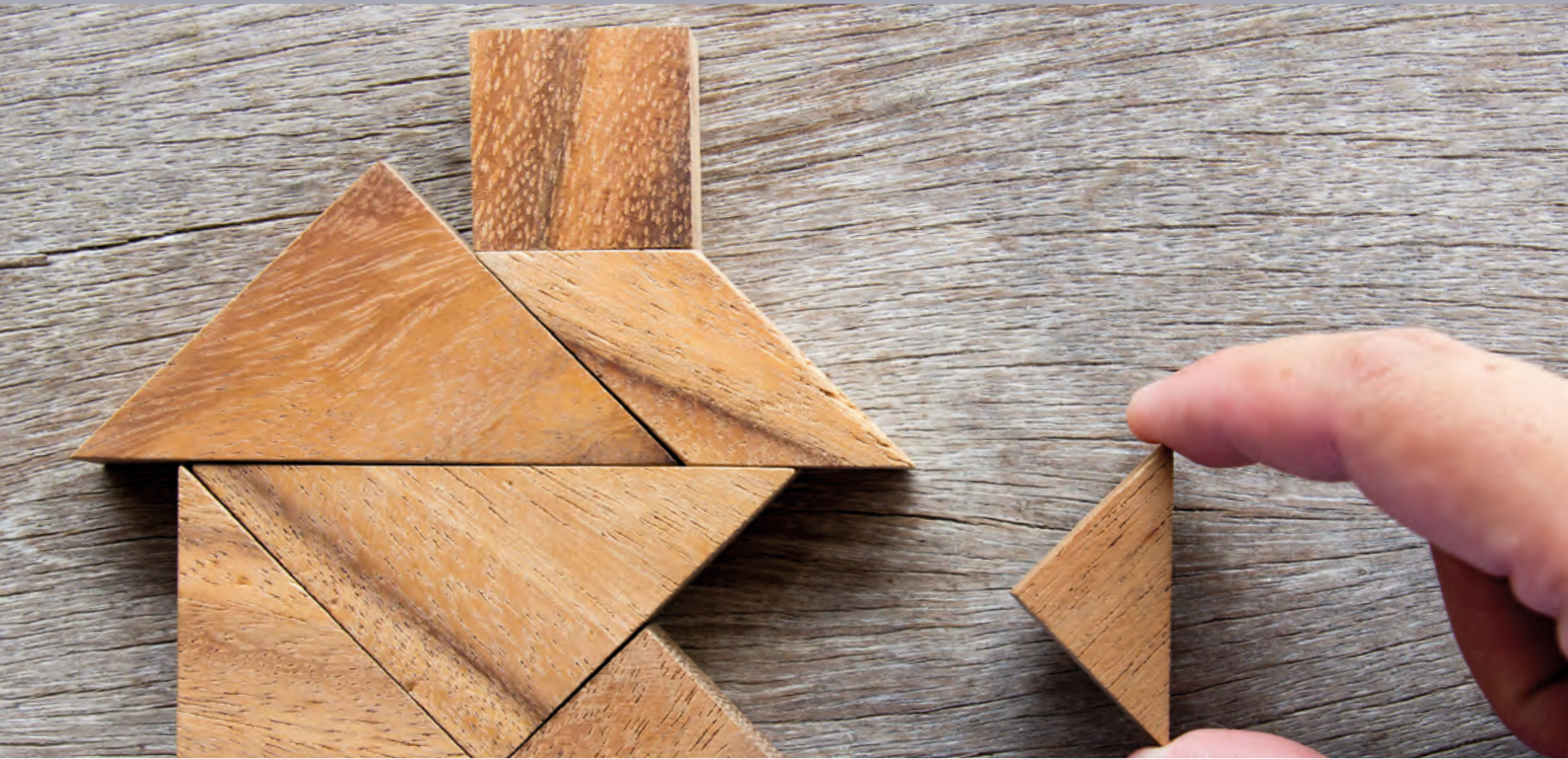


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GLOBAL CHALLENGES; SHEFFIELD SOLUTIONS | POLICY BRIEFING | SEPTEMBER 2017



TACKLING HOMELESSNESS TOGETHER

The importance of local authorities and housing associations working in partnership

Summary

- In response to the consistent rise in homelessness in England over the past seven years, national government set out its commitment to tackling the growing problem with the passing of the 2017 Homelessness Reduction Act (HRA). With a renewed focus on prevention and earlier intervention, the act places new legal duties on local authorities to do more, and sooner, to help people either avoid homelessness or to alleviate it as soon as possible
- Housing associations continue to play an important role in helping local authorities to prevent and tackle homelessness by providing support services, temporary accommodation and settled housing for homeless individuals and families. However, a number of recent policy developments threaten to undermine the efficacy of this partnership and the overall aim of the HRA
- This briefing offers insights into how the current policy environment is affecting partnerships between local authorities and housing associations, specifically within the context of preventing and tackling homelessness at a local level. The briefing also contributes to the existing evidence base highlighting how a combination of policies is undermining efforts to tackle homelessness in England.



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VALUING THE ROLE OF HOUSING ASSOCIATIONS

The HRA 2017 will place greater statutory obligations on local authorities to prevent homelessness for all families and individuals from April 2018. Councils will receive a share of £61 million transitional funding up to 2020 to support its implementation. However, the argument made here is that in order to achieve this ambition, partnerships between local authorities, housing associations and other voluntary sector organisations is essential. In addition, these organisations need to proactively engage with authorities to achieve this aim.

For local authorities, partnership working with housing associations is essential to tackling homelessness despite their often competing priorities¹. Their assistance through the provision of temporary accommodation and settled housing is central to local efforts to tackle homelessness².

However, a number of recent policy developments risk undermining these activities and partnerships, including:

- An ongoing undersupply of housing that is affordable exacerbated in the long-term by housing policies that prioritise the private market and home ownership.
- Significant local authority funding cuts due to ongoing plans to reduce public expenditure.
- Increased financial pressures on housing associations and stock retaining local authorities as a result of the 1% rent reduction policy and other welfare reforms. In the context of an increasingly deregulated environment, housing associations are required to be more business minded.
- The detrimental effect of welfare reform on all social landlords and their tenants³.

This policy briefing aims to illuminate these issues based on analysis of survey data and interviews exploring local authority and housing association perceptions of working in partnership to tackle homelessness within the context of the current policy environment.

HOUSING ASSOCIATIONS AS A PARTNER FOR LOCAL AUTHORITIES

Through our research, we discovered the continuing importance of housing associations to local authority efforts to tackle and prevent homelessness at a local level. In particular, we found that access to housing associations' general needs housing plays a significant role in helping local authorities respond to and tackle homelessness (see figure 1).

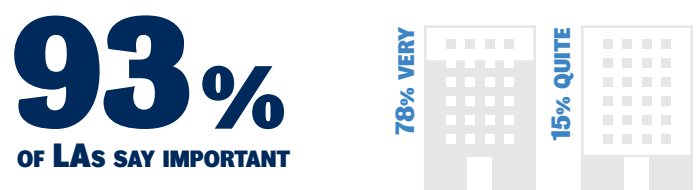
Our interviews with housing association survey respondents, however, consistently highlighted the importance of their tenancy sustainment work, including ensuring affordability, the provision of money or debt advice, employment support to help maximise income through work, support around mental health or anti-social behaviour and joint working protocols like hospital discharge projects or pathways for young people or ex-offenders.

FIGURE 1

How important are general needs lets by HAs in accommodating statutorily homeless households?



How important is the contribution of HAs to local efforts to tackle homelessness?



CHANGING ROLES AND CONTRIBUTIONS OF HOUSING ASSOCIATIONS

The increased financial pressures caused by ongoing welfare reforms present a significant risk to financial viability. At the same time, housing associations are compelled to adopt more business-minded approaches due to reduced grant subsidy and funding for support provision, potentially undermining their social mission.

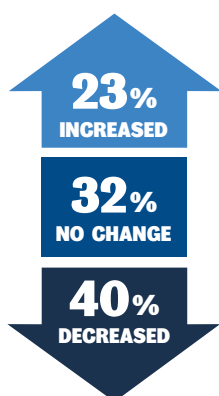
However, housing associations do not appear to be responding in a uniform manner to these pressures (see figure 2). The extent to which they prioritise commercial activity over activities aligned with their traditional social purpose appears to have a significant influence.

How much housing associations can prioritise 'socially-focused' activity will depend heavily on several factors including:

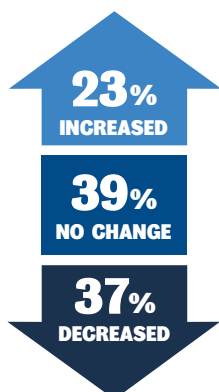
- local housing market pressures and affordability linked to increased house prices, land, property and rental costs in areas of housing market growth - which could provide a possible explanation for the regional variations our research uncovered in some of the findings, namely the increase or decrease in housing association contributions
- their ability to generate larger surpluses through market activity in higher housing costs areas, enabling potential cross subsidy of sub-market and social activity
- the extent to which tenants are remaining in their tenancies for longer periods, which can be due to a combination of successful tenancy sustainment work and limited affordable options for tenants to move on to, limiting the availability of new lets
- the strength of individual relationships with relevant local authority colleagues.

FIGURE 2

LAs view on the changes to the level of general needs letting by HAs to statutorily homeless households over the last five years?



How LAs think the contribution of HAs to local efforts to prevent homelessness has changed in the last five years?



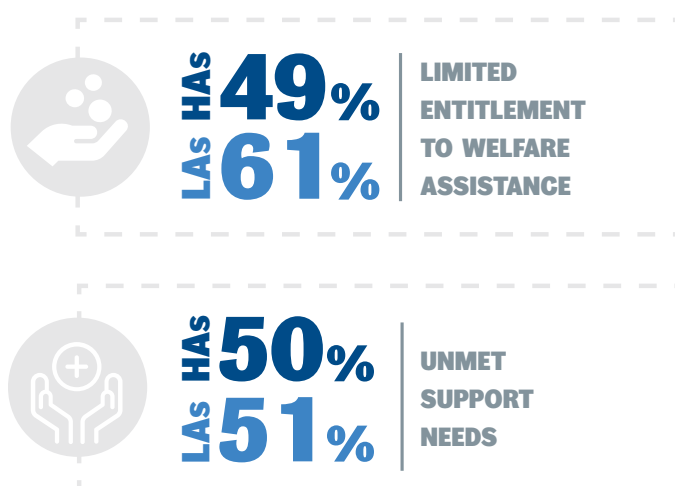
From the perspective of local authorities, there are often issues arising from the increased use of pre-tenancy assessments that serve to restrict access to households that are unable to afford alternative housing via the market. Our research found that limited entitlement to support to help with housing costs was a significant reason why housing associations reject nominations of homeless households (see figure 3).

Access to social lettings is becoming more difficult as a result of a shortage of social lettings⁴ and an overall reduction in homes available at social rent⁵. We already know that two thirds of local authorities surveyed for the English Homelessness Monitor 2017⁶ reported difficulties helping their homeless applicants to access social tenancies.

Concerns around letting homes to applicants "characterised by socioeconomic exclusion"⁷, homeless households with multiple/complex needs, or otherwise vulnerable, is a long-standing issue for housing associations in their pursuit to create and maintain mixed and sustainable communities. However, survey and interview responses suggest that there has been an increase in the level of concern in these areas. Approximately half of local authorities and housing associations cited unmet support needs as one of the main reasons why nominations of homeless households would be considered unsuitable or refused, compared with 17% in 2007⁸.

FIGURE 3

The most commonly cited reasons of housing associations rejecting nominations of homeless households were:



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FACTORS INFLUENCING CHANGE

Our research uncovered a range of factors potentially influencing changes to partnerships between housing associations and local authorities.

CHANGES TO PRACTICE, FUNDING AND CONCERNS OVER LOSS OF REVENUE

We found that changes to funding mechanisms or levels are having a negative impact on partnership working between many local authorities and housing associations.

In addition, according to almost two thirds of local authorities, housing associations' contributions to tackling homelessness at a local level are being impacted by changes to their practice, but over half of housing associations said that concern over loss of revenue is a factor (see figure 4). There is the possibility that these factors are different perceptions of the same issue (i.e. housing associations are changing their practice due to concern over loss of revenue but local authorities see the change in practice first).

SIZE AND DISTRIBUTION OF STOCK

Housing association engagement in strategy development or partnership working to tackle and prevent homelessness is often related to the spatial distribution and concentration of their stock. In areas where housing associations have smaller numbers of homes, local authorities may not see them as key stakeholders and as a result may not seek to involve them in partnership agreements or formal discussions around strategic planning to prevent homelessness.

FIGURE 4

"Changes to relationships with relevant local authorities are a factor"



"Changes to HAs' practice are a factor"



"Concern over loss of revenue is a factor"



RELATIONSHIPS

Changes to relationships can serve to undermine the contribution housing associations make to local efforts to prevent homelessness (figure 4). Exploring this further, we found that individual relationships are extremely important and often the success of partnerships can hinge on these relationships. For example, some housing association participants felt that strategy development should be a two-way process and where this does not happen, opportunities for housing associations to be involved in strategic planning can be missed. Fully co-produced homelessness strategies were considered by some housing association respondents to be a more effective approach to maximising their contribution towards meet local need.

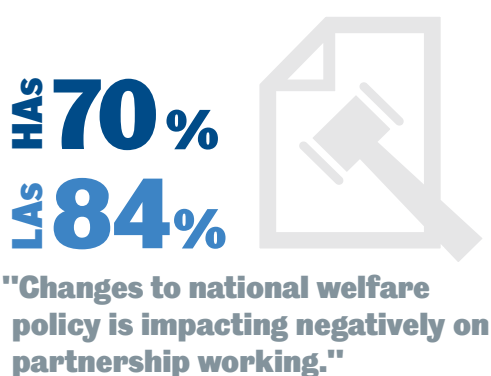
Larger housing associations may also potentially have more relationships to manage, with stock spread across several local authority areas. It can be hard to build new relationships in the current environment where they do not already exist.

THE IMPACT OF WELFARE POLICY

Welfare policy is undermining partnerships between local authorities and housing associations to prevent and tackle homelessness. Affordability problems linked to welfare entitlement can act as a barrier to tenancy sustainment and homeless households accessing housing association homes.

For a majority of local authorities and almost three quarters of housing associations, changes to national welfare policy, was cited as impacting negatively on partnership working to tackle homelessness (see figure 5). In addition, local welfare policy - including that which dictates local rules for allocating discretionary housing payments and what was once the Social Fund - was considered a factor impacting work to tackle homelessness by 53% of housing associations and 37% of local authorities.

FIGURE 5



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THE ROLE OF THE VOLUNTARY SECTOR

Our research also uncovered the central role of the voluntary sector as a significant partner in local efforts to tackle homelessness (see figure 6). We found that over half of local authorities feel that voluntary sector providers are 'very involved' in the development of homelessness strategies, significantly more than housing associations (figure 6). In addition, the contribution of the voluntary sector was reported as increasing for over half of local authorities in the last five years.

Charitable and voluntary sector agencies have historically delivered more support services than housing associations⁹ but our conversations with local authority respondents highlighted their particular role in responding to the more than twofold rise in rough sleeping since 2010.

Against a backdrop of public sector funding cuts, it is understandable that local authorities appear to be forming closer ties with a sector that has a reputation for managing to support the most vulnerable in society without central government help¹⁰.



FIGURE 6

How important are voluntary and community organisations to local efforts to tackle homelessness?



How involved are voluntary sector providers of homelessness services in the development of the local homelessness strategy?



How involved are housing associations in the development of the local homelessness strategy?



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CONCLUSION

As the HRA 2017 moves closer to implementation, there is a key role for local authorities to engage in early conversations with housing associations as many will be reviewing their homelessness strategies. At the same time, housing associations are facing important decisions over what to prioritise as they revisit their business plans in response to financial pressures.

The extent to which their focus on tenancy sustainment can contribute to preventing homelessness should not be overlooked but there are also opportunities available for local authorities to maximise the input of housing association contributions to reducing homelessness at a local level. This can be achieved by adopting an approach to strategy development that focuses on co-production. This would help to foster, develop and maintain effective relationships and enable an effective mechanism to review impact and identify areas requiring further joint working.

A number of policies introduced since 2010 have combined to create an environment that limits the availability of genuinely affordable housing. The government now has a stated aim to reduce the growing problem of homelessness. Any further policy development needs to be carefully considered to avoid undermining this, including welfare reforms, grant subsidy levels and changes to funding mechanisms.

Alongside voluntary sector agencies, housing associations remain important partners in the reduction and prevention of homelessness, but their contribution is currently being undermined by policies that threaten their financial viability and ability to prioritise the needs of people most in housing need.

RECOMMENDATIONS

- Government should support implementation of the HRA by directing the Department for Work and Pensions and the Department for Communities and Local Government to conduct an urgent review of the role their policies are playing in undermining efforts to tackle homelessness. This would be an appropriate response to repeated calls by the sector, backed by growing evidence, for action to address the role of current policies in rising homelessness and efforts to tackle it.
- Local authorities should co-produce homelessness strategies that spell out the roles and responsibilities of different local partners - including housing associations and voluntary sector agencies - in helping to reduce homelessness in their areas. This approach could be explored via a series of pilot areas and should be led by the Local Government Association (LGA), supported by relevant sector leading organisations such as the National Housing Federation (NHF) and the National Council for Voluntary Organisations (NCVO).
- Local authorities and housing associations should develop a locally agreed framework for pre-tenancy assessment criteria, which includes pro-active consideration of affordability and support needs to maximise opportunities to support access to sustainable tenancies. Again, this work should be explored by a programme of pilots, with areas identified through agreement between the LGA and NHF.

ABOUT THE RESEARCHER

FAYE GREAVES is a policy and practice officer at the Chartered Institute of Housing (CIH). She has worked in housing for twelve years and has extensive experience in the delivery of frontline housing options and homelessness services. Since joining CIH in 2015, Faye has worked with organisations to identify and highlight the impact of government policy measures on efforts to prevent and tackle homelessness.

About the research:

This research is a result of a collaboration between The University of Sheffield and the Chartered Institute of Housing. It was made possible by the **Crook Public Service Fellowship scheme**, which allows future leaders in the public and not-for-profit sectors to work closely with academics to influence their sector and potentially wider society. In addition to the author of this briefing, the research team included Amy Beckett, Professor David Robinson, Dr Ben Pattison and Dr Tom Moore

The results presented here are derived from research undertaken with housing associations and local authorities in 2017. The study began with stakeholder interviews followed by two surveys; one circulated to all local authorities and the other to 449 housing associations in England. 30% of local authorities completed their survey and 11% of housing associations, accounting for 39% of all housing association stock in England, completed theirs. A following round of eight sense-checking interviews was undertaken with housing associations and local authorities in order to explore themes and issues arising from the survey.

The views and results presented here are those of the authors and not necessarily those of The University of Sheffield or the Chartered Institute of Housing.

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