



Shelter Scotland

Funding homelessness services

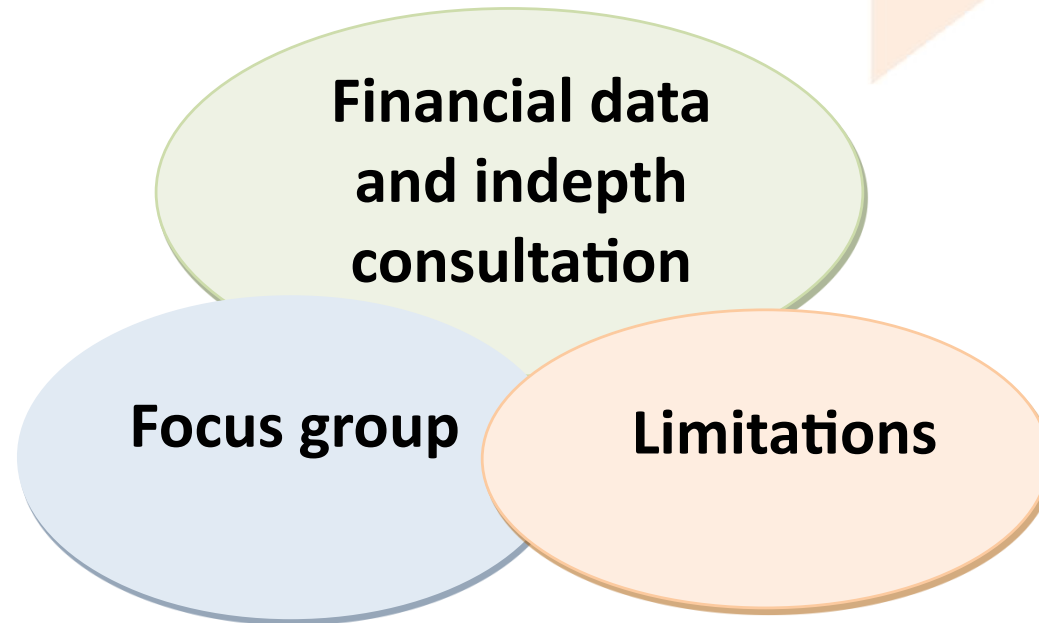
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Research brief

- *“Understand funding of homelessness services, with the aim of supporting LAs to put funding arrangements on a more stable footing”*
 - Sources of funding
 - Trends over time
 - View on the opportunities and risks/challenges
 - Potential solutions to put on stable footing

Methodology

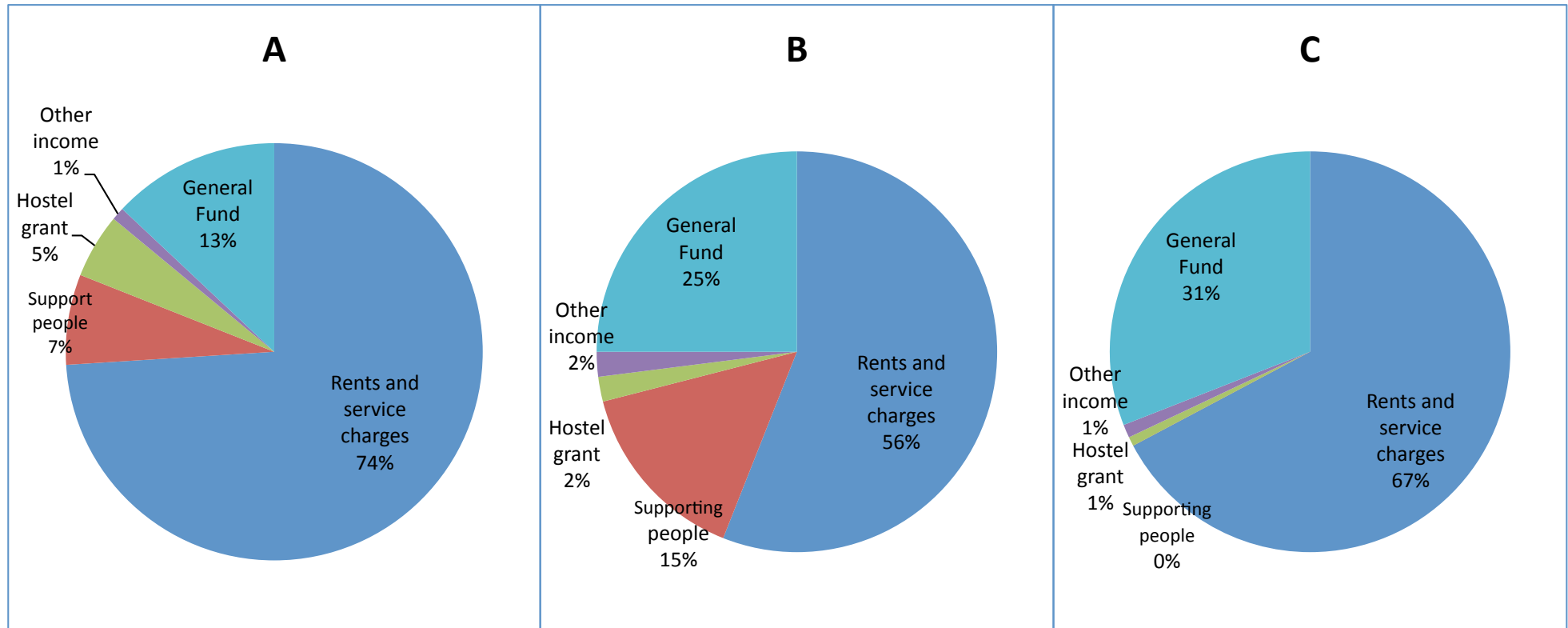


Expenditure

- Increasing expenditure* - 16% and 9%; 2009 to 2011
- Still “insufficient resources to meet demand”
- Driven by temporary accommodation – up to 50% pa increases
- But also a presumption to protect resources for homeless services - in context of reducing resources elsewhere
- ‘Other’ non accommodation services – average 3% increases
- Growth bids – 10-20% of current budgets; £100k to £350k
- But ‘pressure’ beginning to be felt

*total spend on homeless services, not LAs’ own expenditure after income

Funding sources



Rent, service charges and General Fund

- Highest proportion of funding source – reflects greatest expenditure, but not only related to volume....
- Reflects the approach to rent/sc setting and mix/type of temporary accommodation
- DWP subsidy rules - LA self contained, Hostels, B&B, PSLs, RSLs
- *“in the round it is self financing”* - shortfalls balanced by some surpluses
- Service delivery model – HRA/GF mixes
- GF – protected, new funding bids, but increasingly under pressure

Risks and challenges

- Welfare reform
 - Financial impact for LAs
 - Individual households and demand on homeless services
- Lack of settled accommodation
- Public sector resources – GF impact
- Elections 2012 – cross party support to date; may change
- Prospect of removal of local connection

Opportunities and solutions

- Difficult to see any
- Housing Options / prevention agenda is key
- Need more settled accommodation
- Efficiency and effectiveness
 - Remodeling services / HRA efficiencies
 - Spend to save – some small but effective
 - Joint working to prevent homelessness

Interim conclusions

- National and economic context
- Objectives of any homeless service should be –
 - Effectiveness – giving and getting advice and a home quickly
 - Affordability for tenants, local government and the public purse
- Capital v revenue subsidy – capital emphasis must continue to be on settled accommodation
- What is the true cost of homeless services? Reach a common method of understanding and presenting costs
- Cost an agreed standard of temp accommodation
- This work is only a starting point.....