

MODELLING HOMELESSNESS DEMAND

Duncan Gray
23 June 2008

Aim of presentation/ session

- Set out the purpose/ function of the model we have been developing.
- Identify key outputs/ inputs and assumptions.
- Discuss how we could use the model to assist councils.
- Identify issues for councils developing/ commissioning own models.

Purpose of Modeling



Why model

- Guide to action.
- Support decisions on policy and practice.

Key features

- Focuses on key outputs.
- Robust and credible.
- Assesses impact of changes in key inputs/ scenarios.
 - Note: Degree of control over inputs may vary.

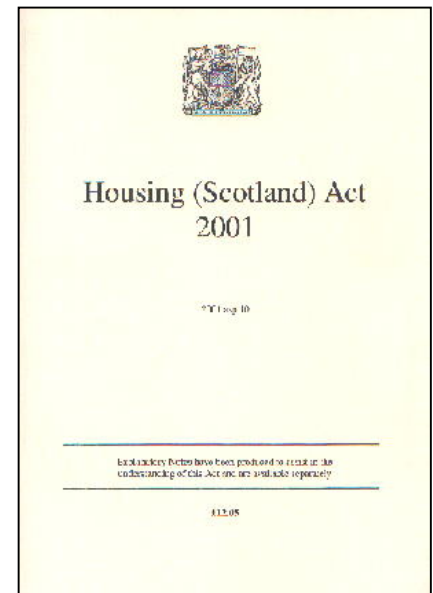


Overview

- Legislative changes
 - Key questions arising
 - Impact of abolition across Scotland
 - Scenarios
 - Conclusions
-

Housing (Scotland) Act 2001 & Homelessness (Scotland) Act 2003

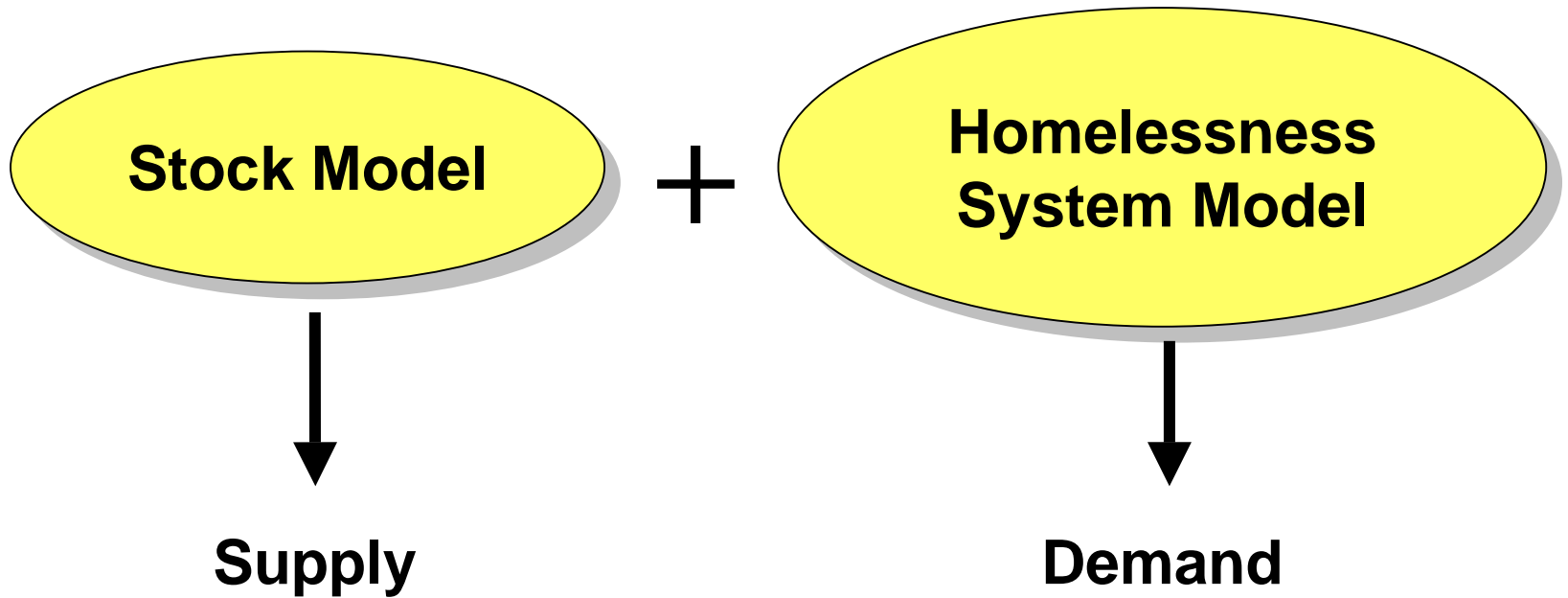
- Temporary Accommodation for all homeless households until discharge of duty.
- Modernised Right to Buy.
- **Extension, then abolition, of the priority need test.**
- Power replaces duty to investigate intentionality.
- Suspension of the local connection provision.



Key outputs from model: Impact of abolition

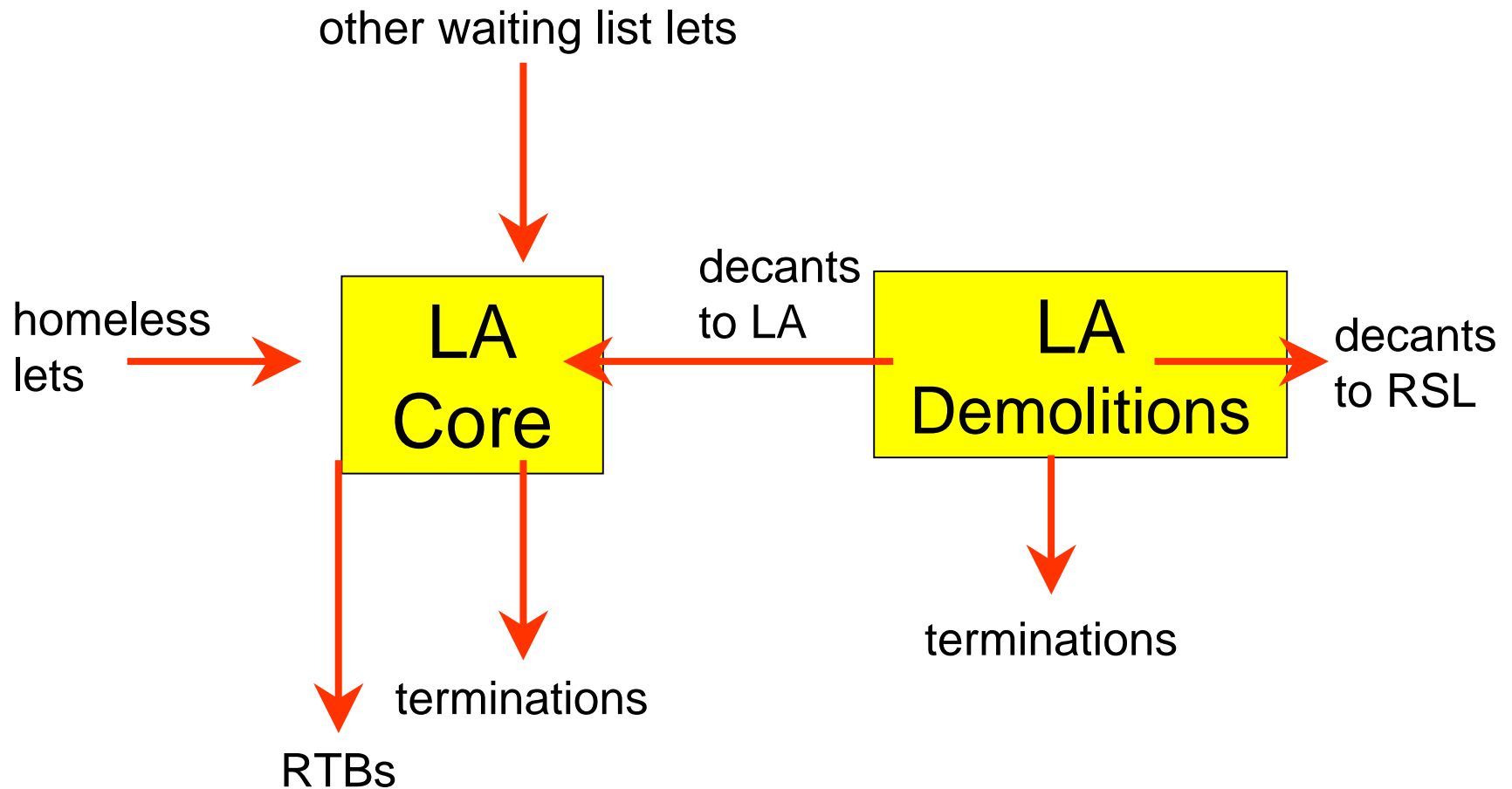
- Number of temporary accommodation places needed
 - Time spent in temporary accommodation
 - Number and proportion of lets required by homeless households
-

Methodology



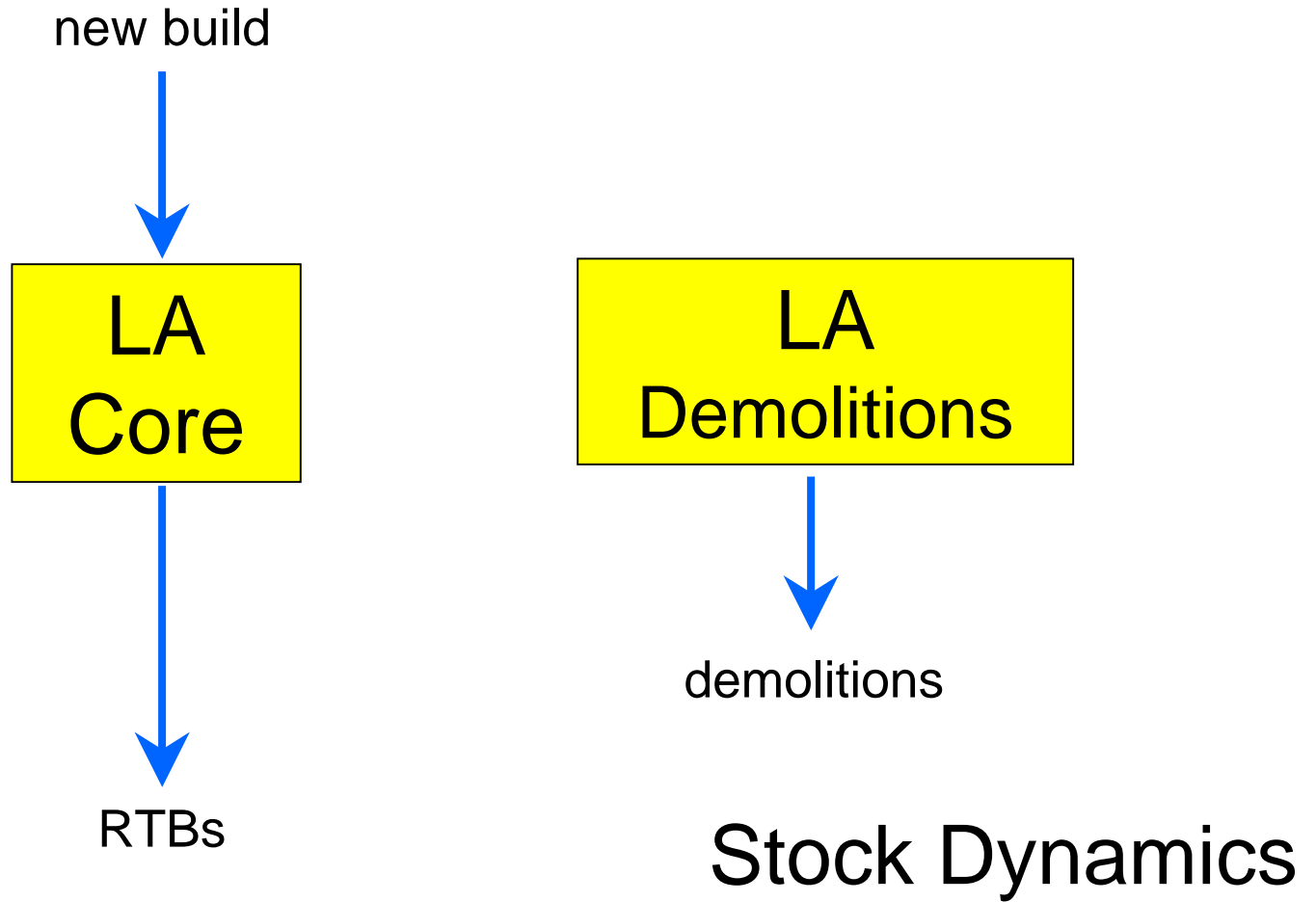
one for each local authority

Local Authority and Transfer Landlords

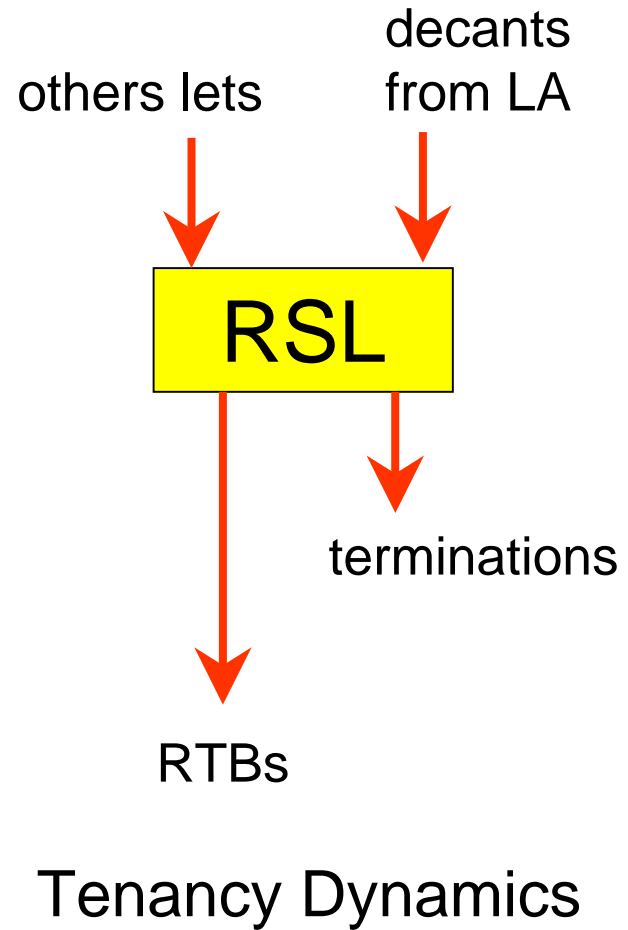
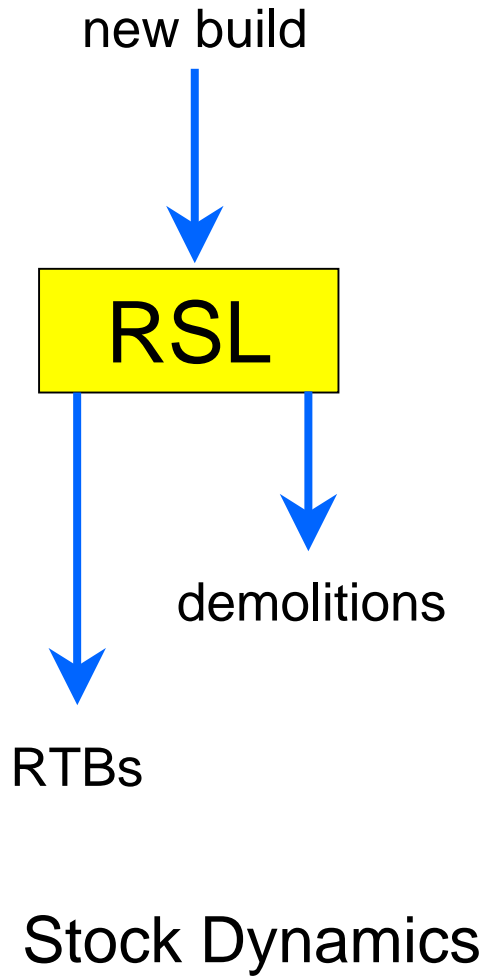


Tenancy Dynamics

Local Authority and Transfer Landlords

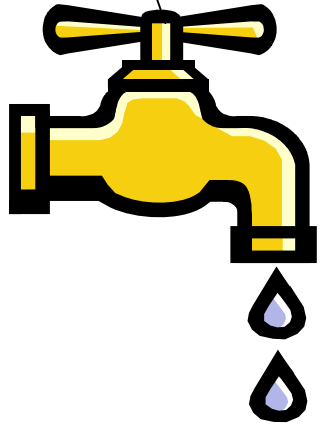


RSLs



Homelessness System (Vaugh) Model

applications

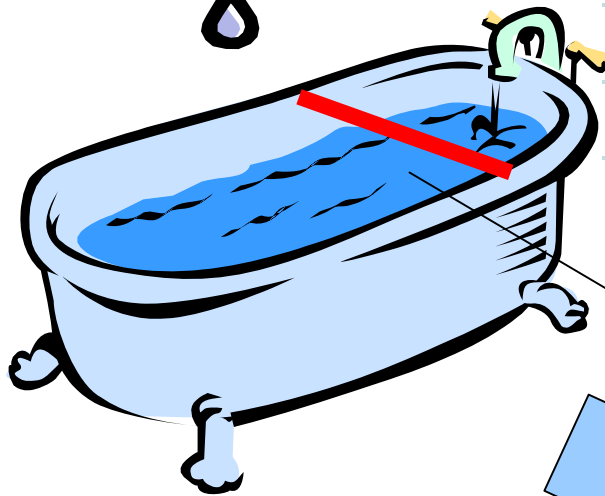


- Inputs

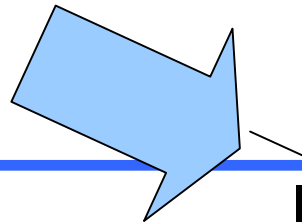
- The number of applications + assessments
- Number of lets available for homeless households

- Outputs

- Number of households in the system
- Time spent in the system
- Number of lets to homeless households



Temporary accommodation

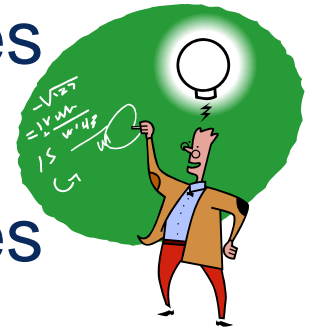


lets

Homelessness System (Vaugh) Model

Constraints

- LA Homeless Lets \leq All LA Lets – LA decants
- RSL Homeless Lets \leq All RSL lets – decants
- All Homeless Lets \leq α x all homeless outcomes
- PRS Homeless Lets \leq β x all homeless outcomes

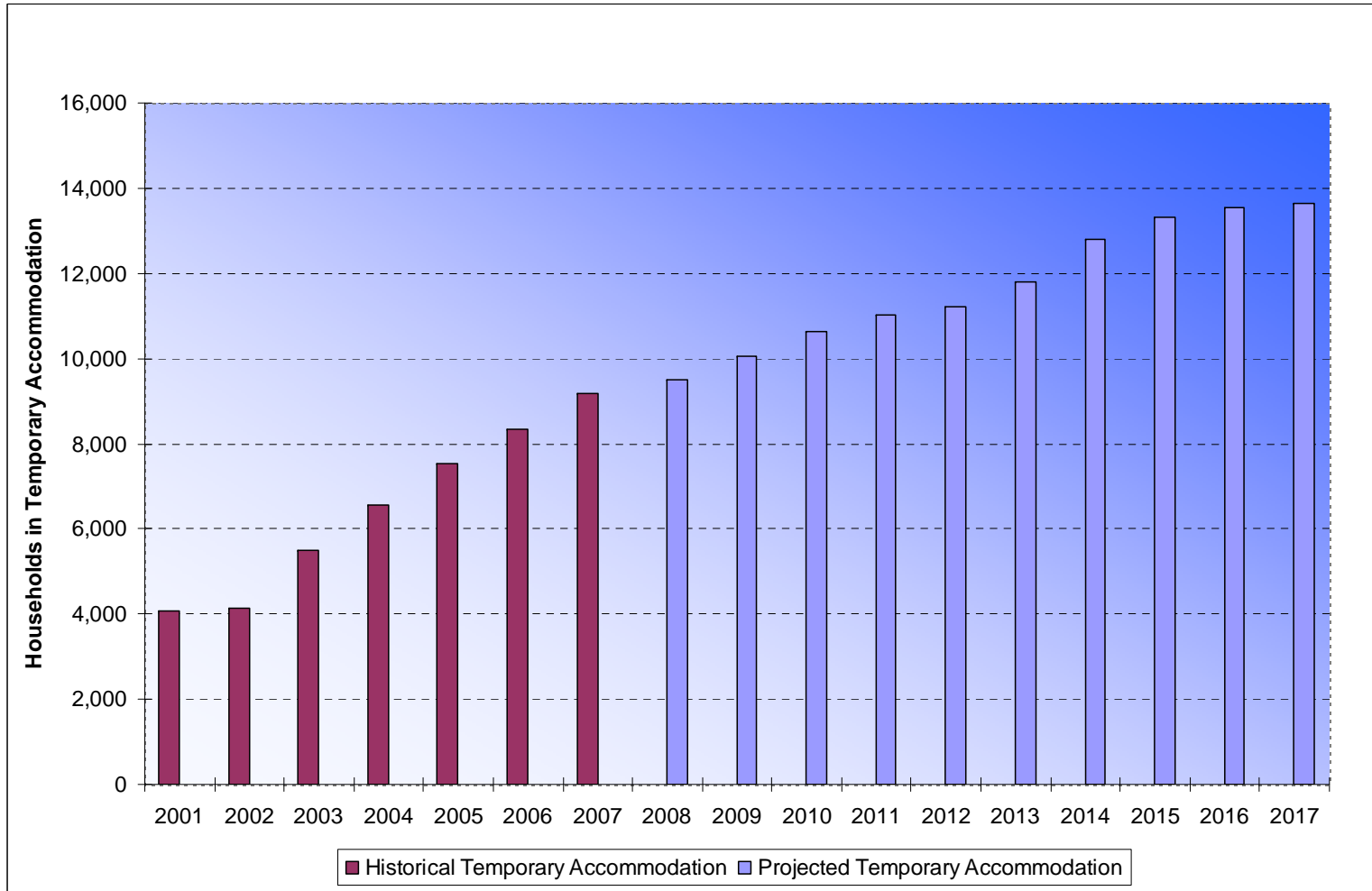


Baseline Scenario: Continue 2006/7 Position

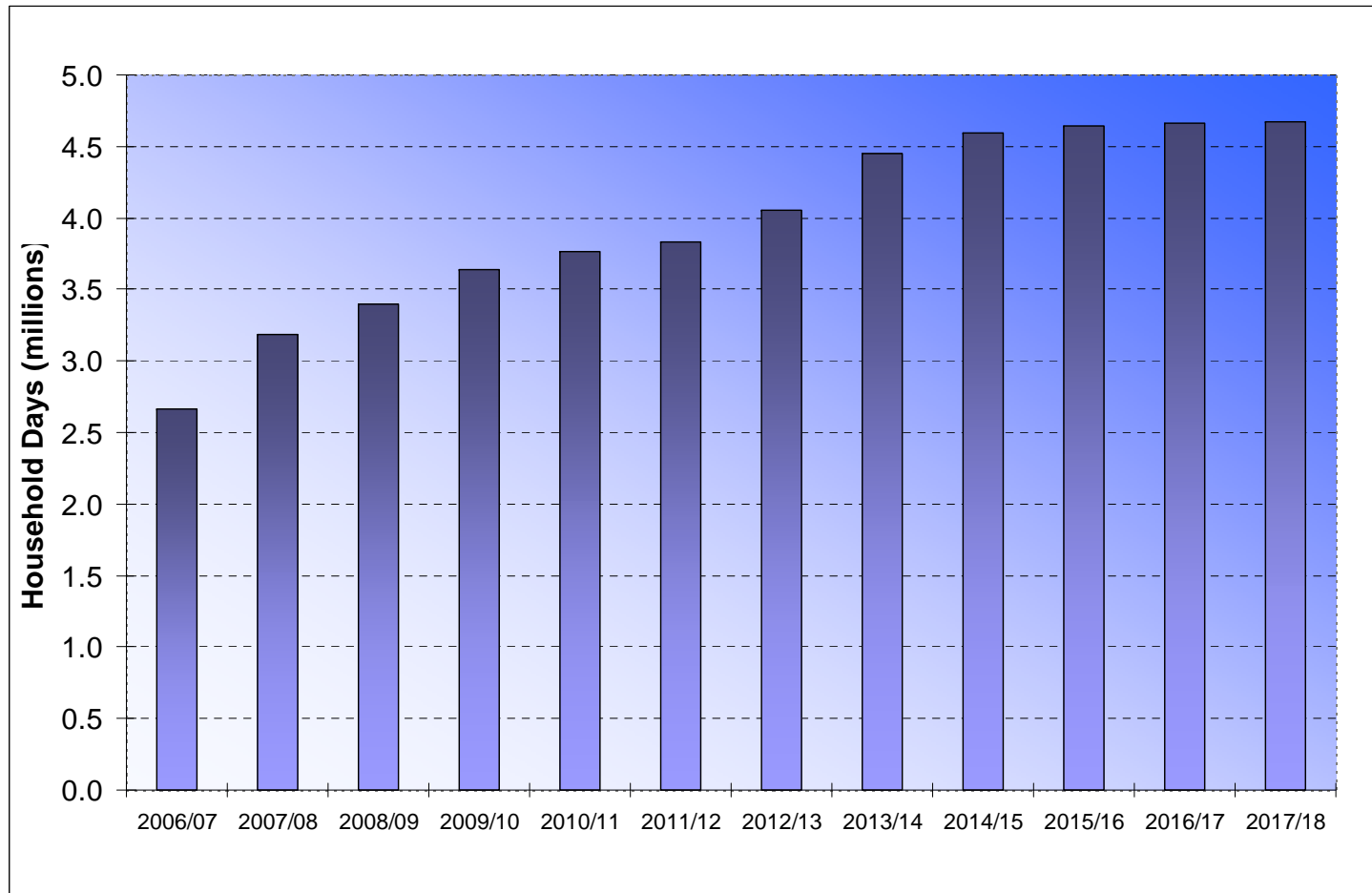
- Homelessness levels as at 2006/7
- All landlords maintain fixed % of lets
- New Build distributed as in last 3 years



Households in Temporary Accommodation



Household Days in Temporary Accommodation



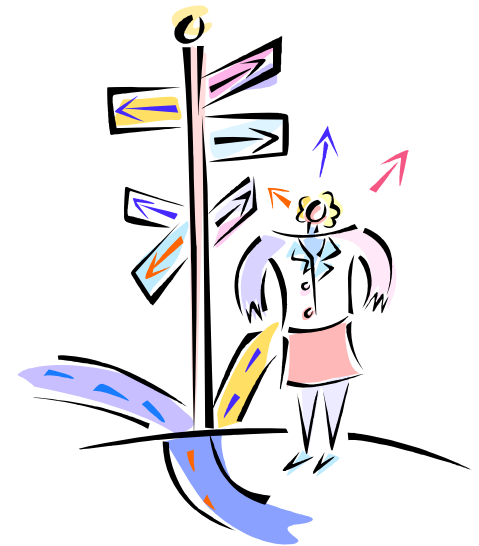
Baseline Scenario: Continue 2006/7 Position

- Continuing growth in:
 - Number of households in temporary accommodation
 - Time spent in temporary accommodation
 - ...Temporary accommodation budgets?

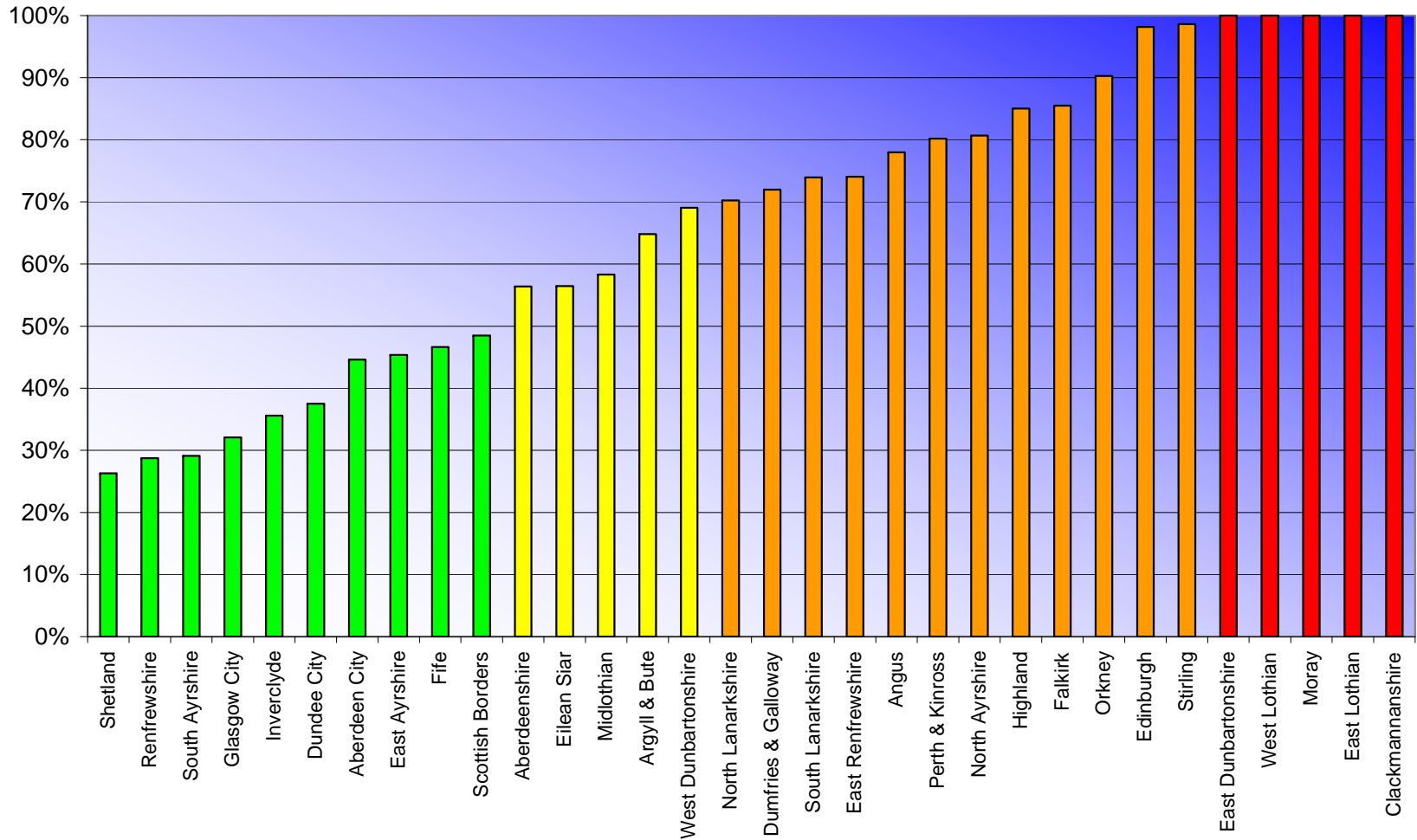


Possible Actions and Policy Interventions

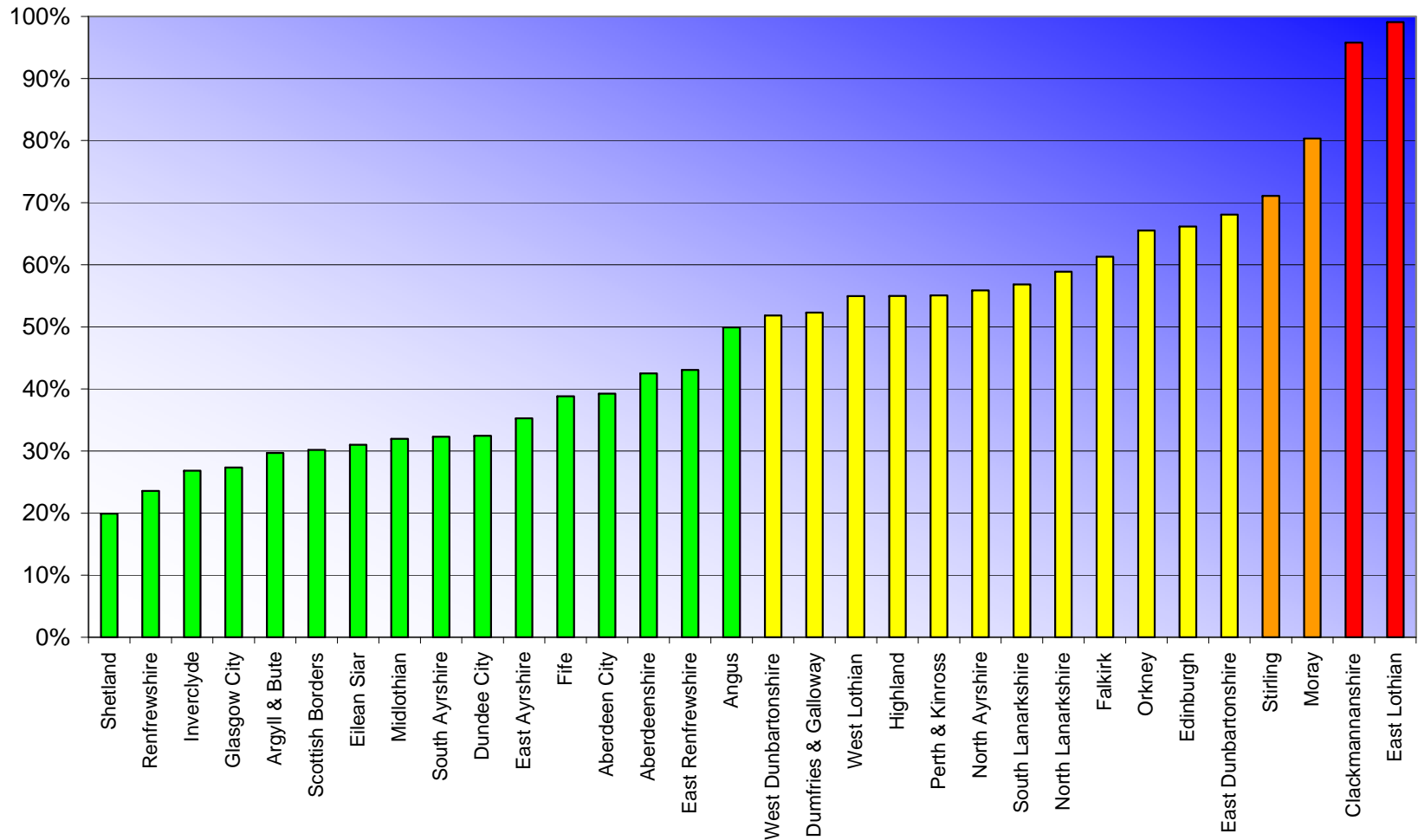
- Increase lets to avoid increase in temporary accommodation
- Modify Right to Buy
- Make greater use of the private rented sector
 - minimum of:
 - 20% of homeless outcomes or
 - 10% of lets in the PRS
- Increase prevention work further
- Redistributed new build



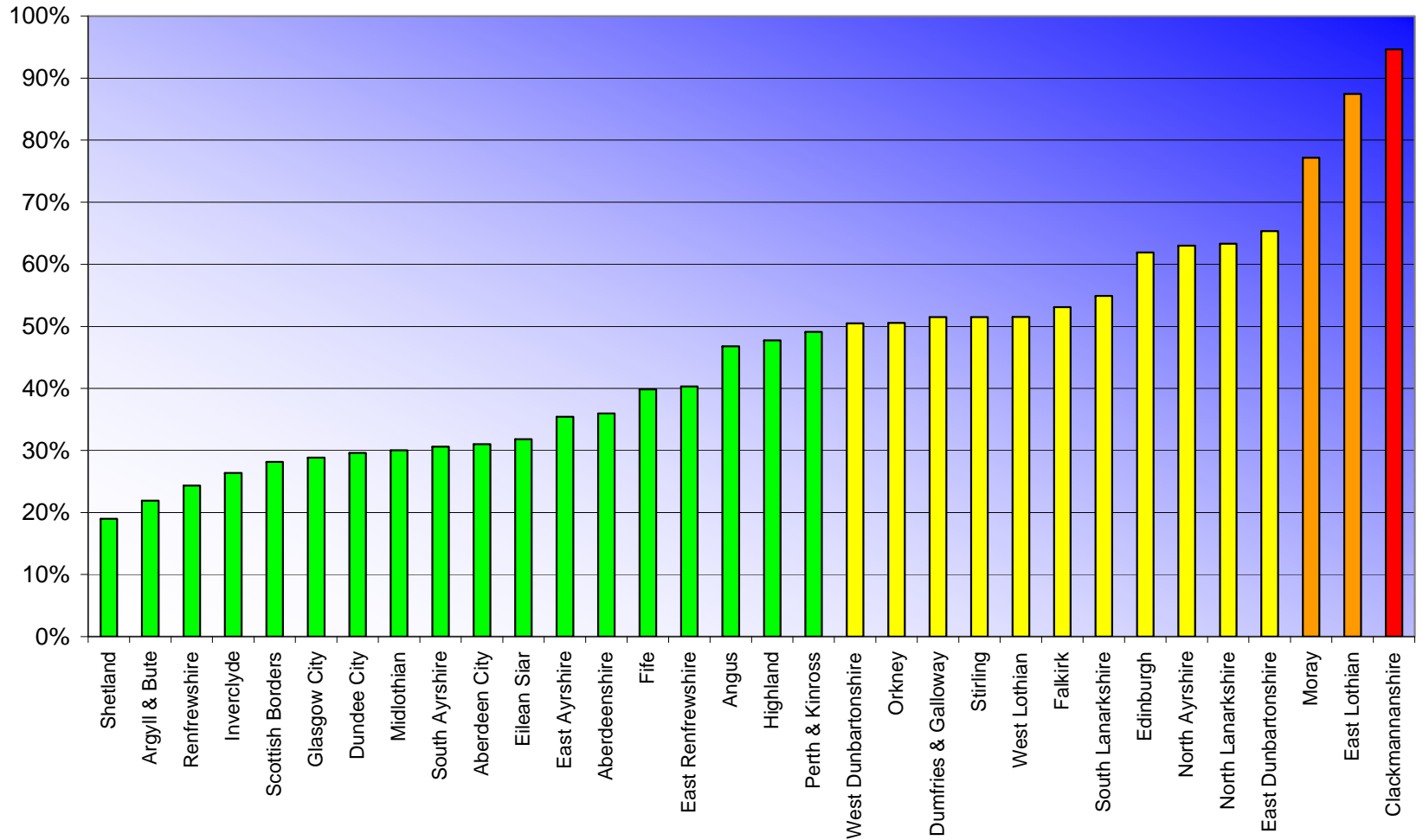
LAs/LSVTs only increase lets to avoid an increase in temporary accommodation



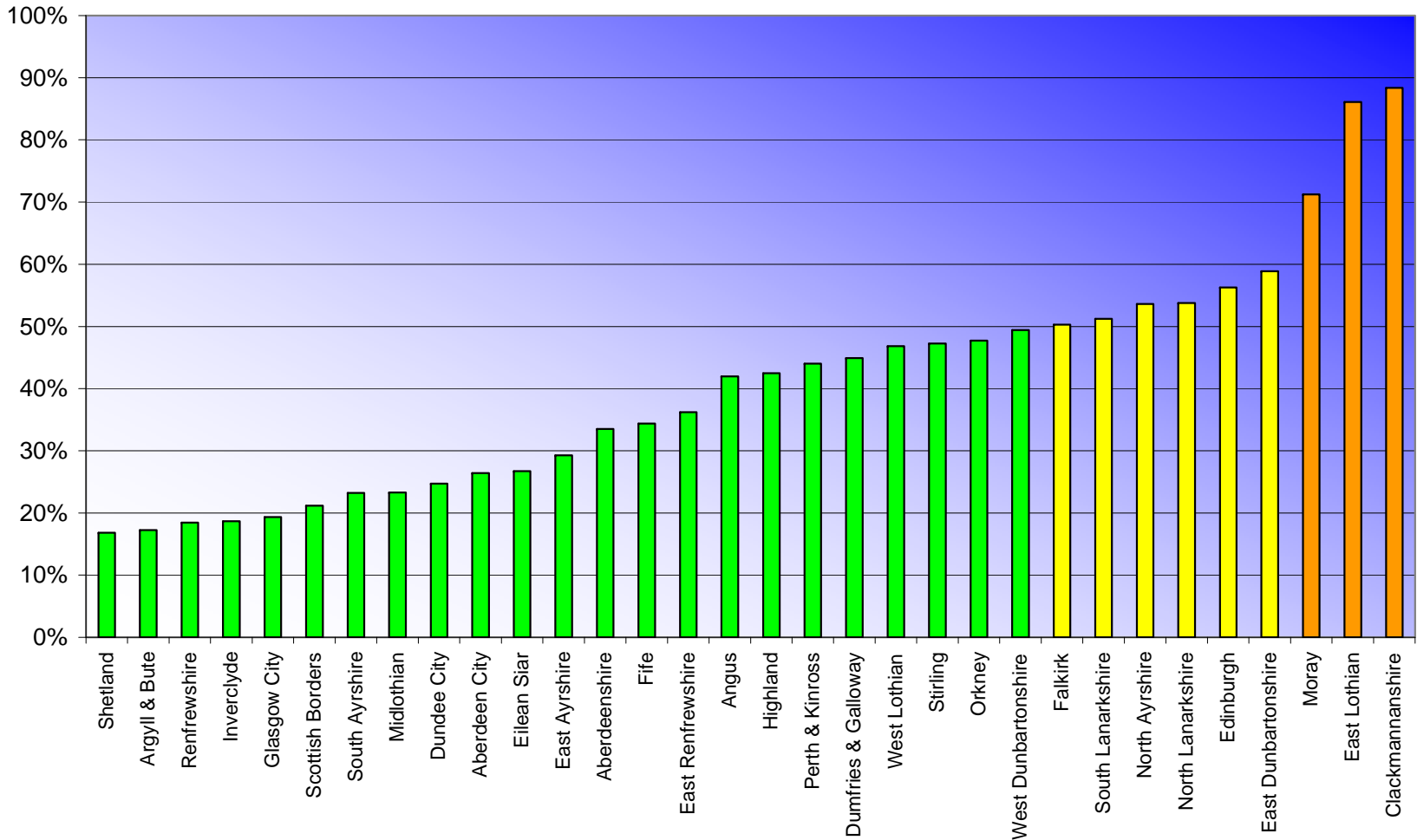
All social landlords increase lets to avoid an increase in temporary accommodation



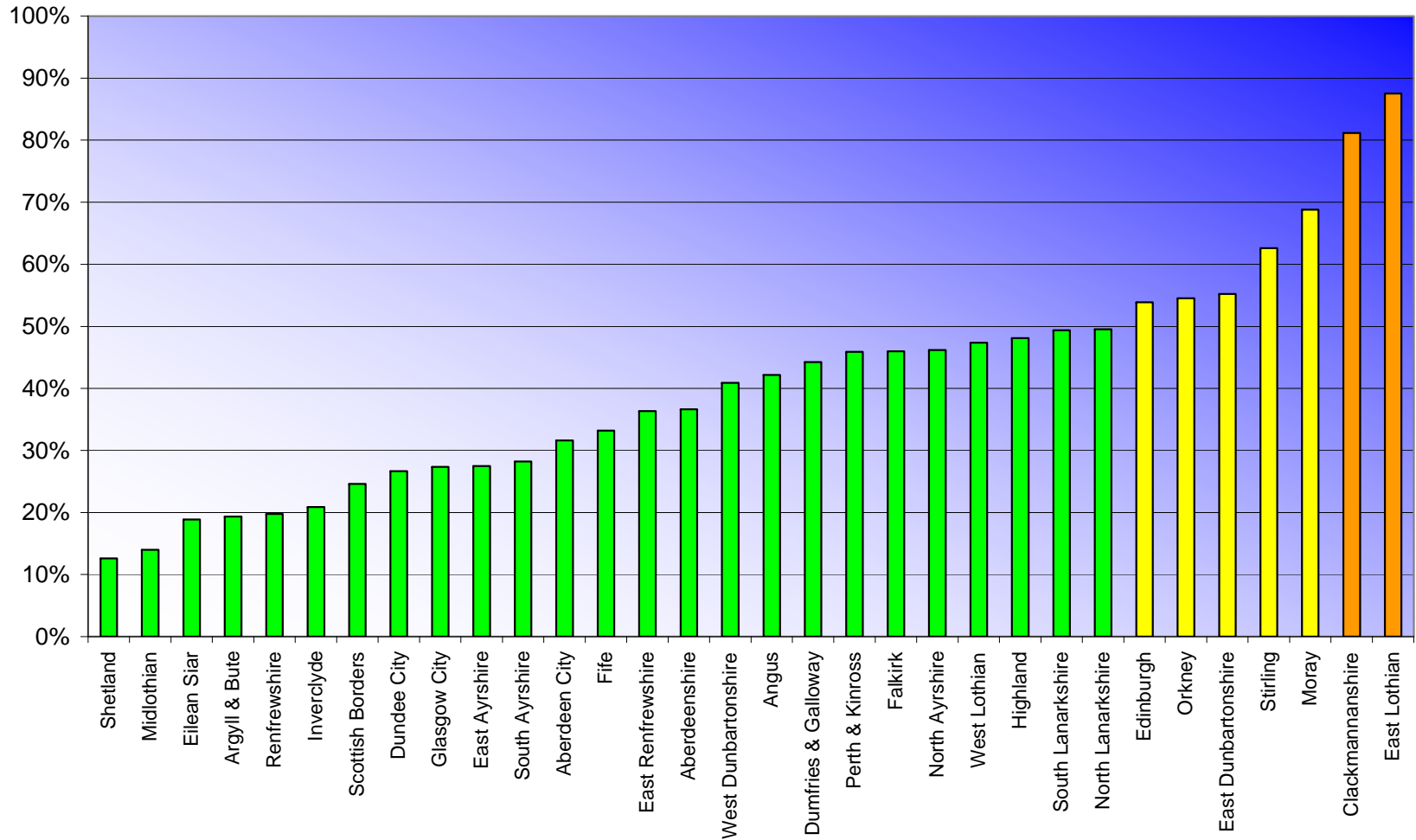
... and completely suspend RTB from March 2007



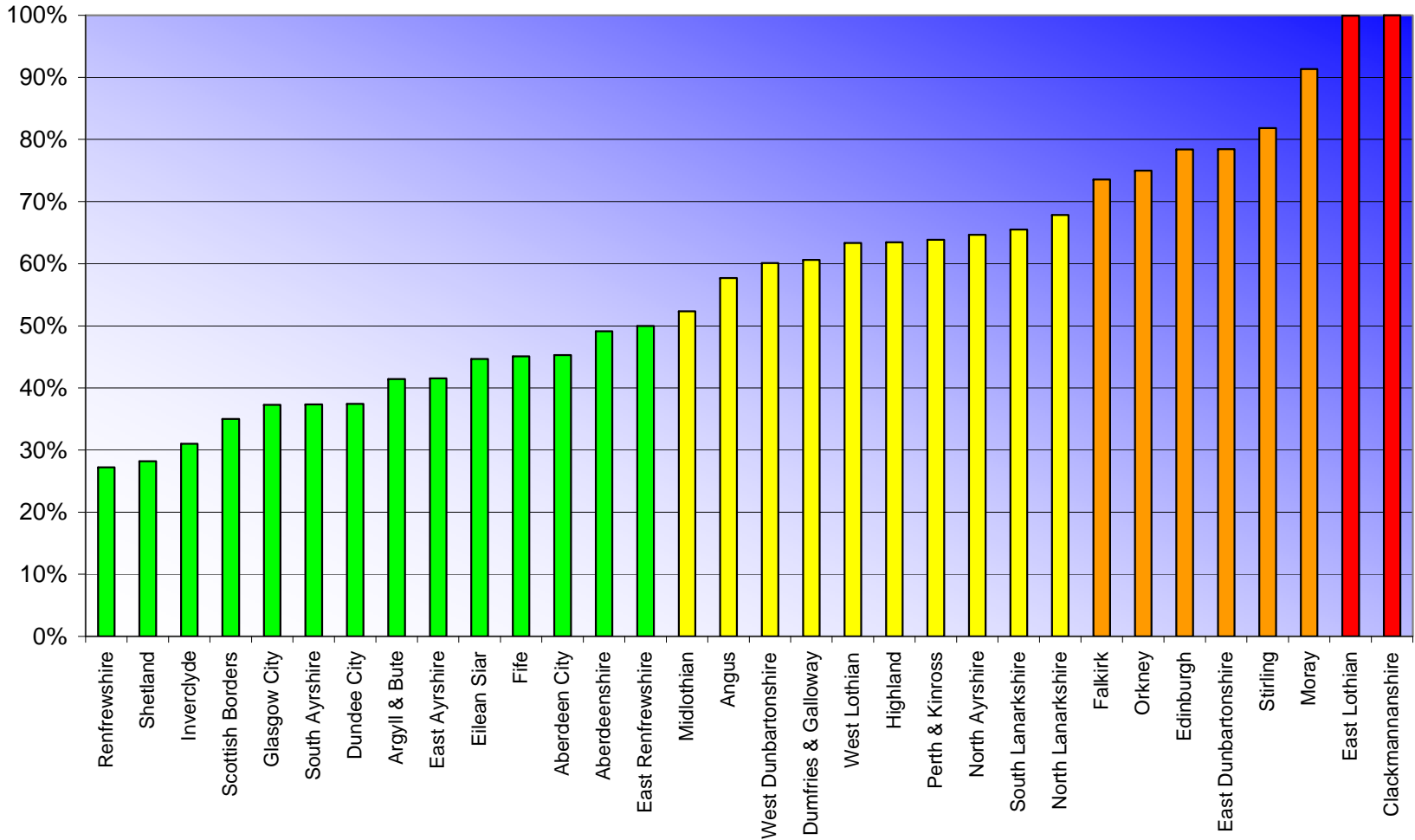
All social landlords + Private Rented Sector increase lets to avoid an increase in temporary accommodation



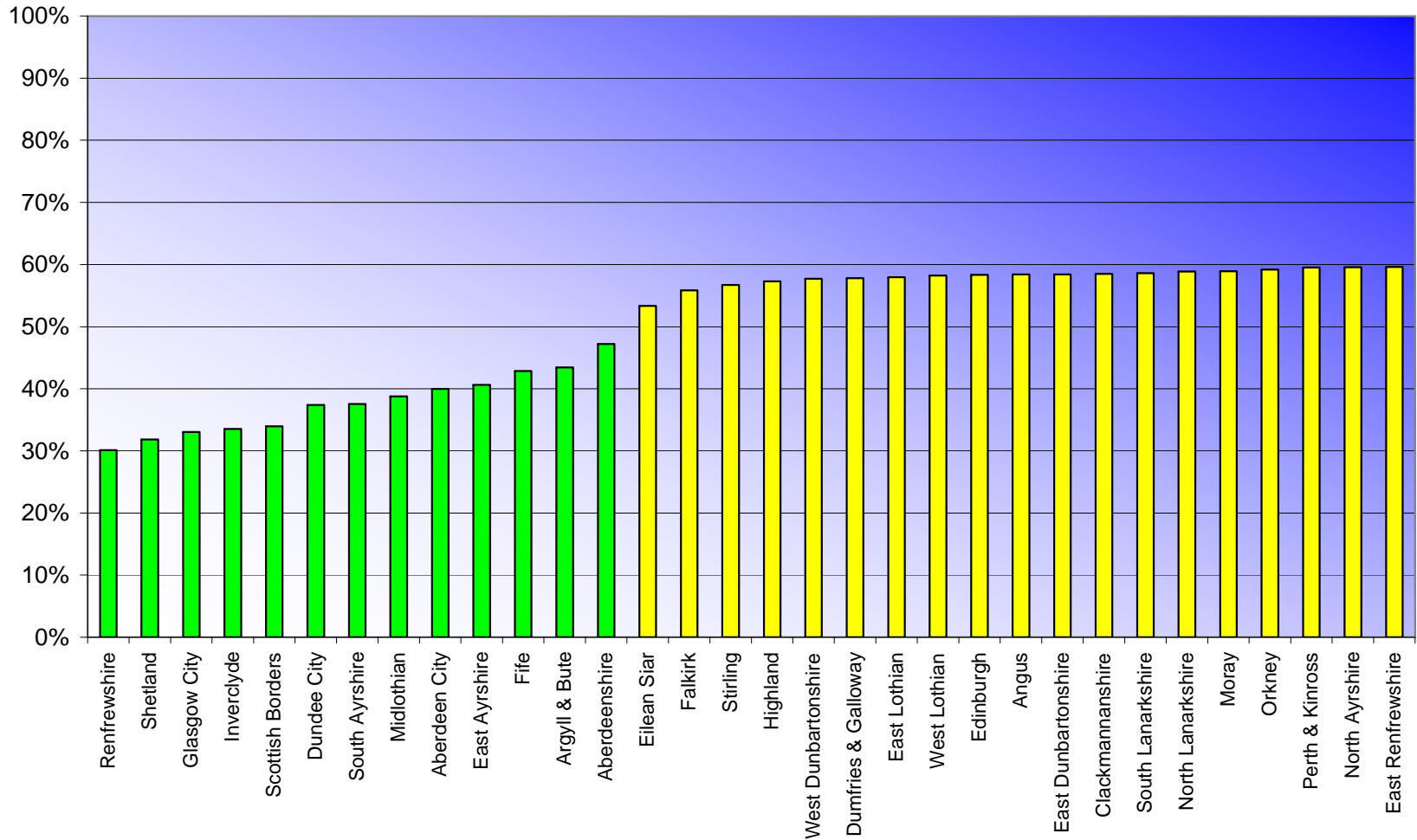
Prevention of 2.5 percent per annum...



...but with an increase of 2.5 percent per annum!



Impact of focusing about 4,000 per year social new build.

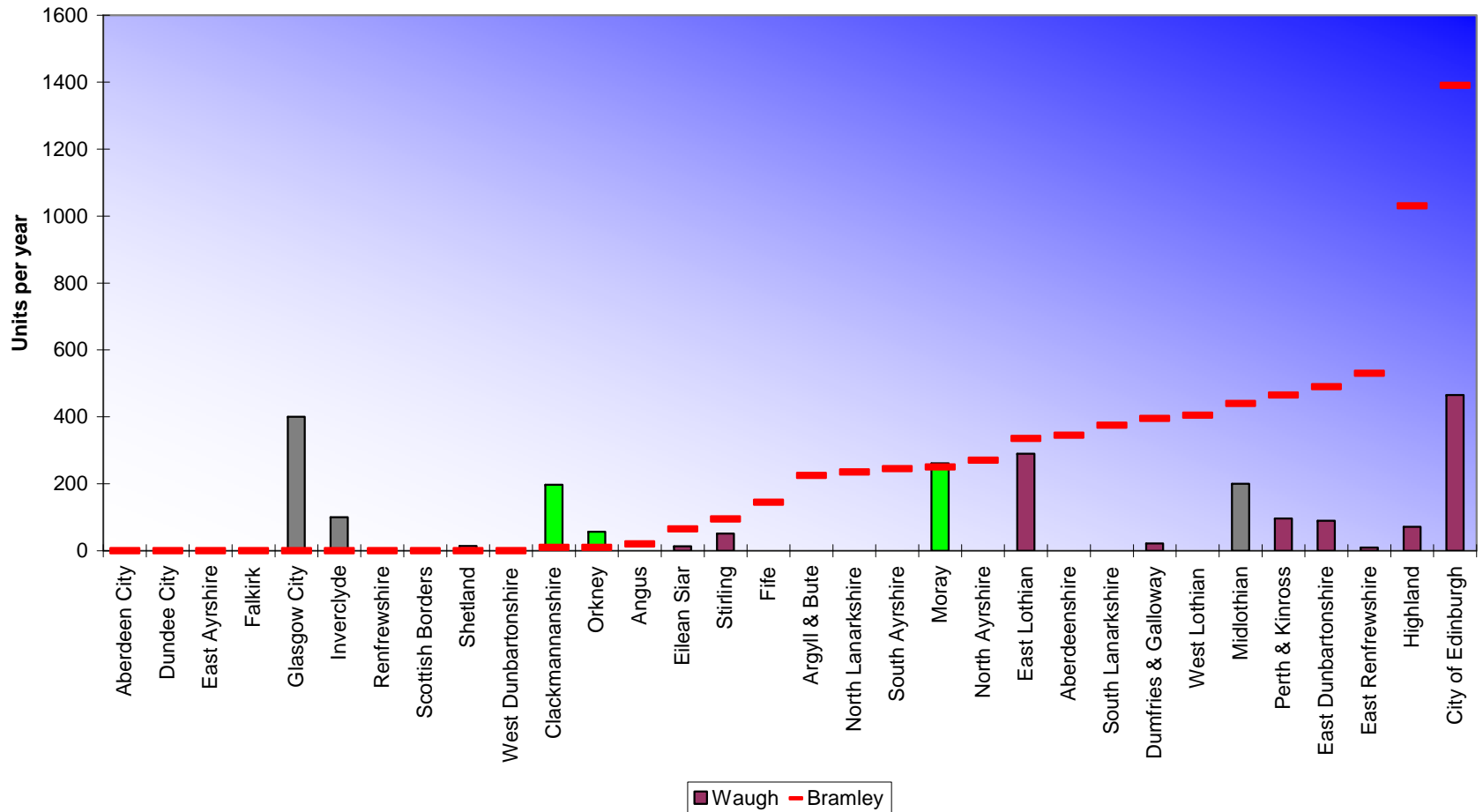


Robust and credible

- Consistency with other sources
 - Wider assessments of affordable housing need. For example Bramley/ Local Housing Needs Assessments/ Strategic Housing Markets Assessments.
 - Credibility of inputs
 - Statistics returns on vacancies and lettings.
 - Demolition decants/ plans.
 - Impact of prevention.
-

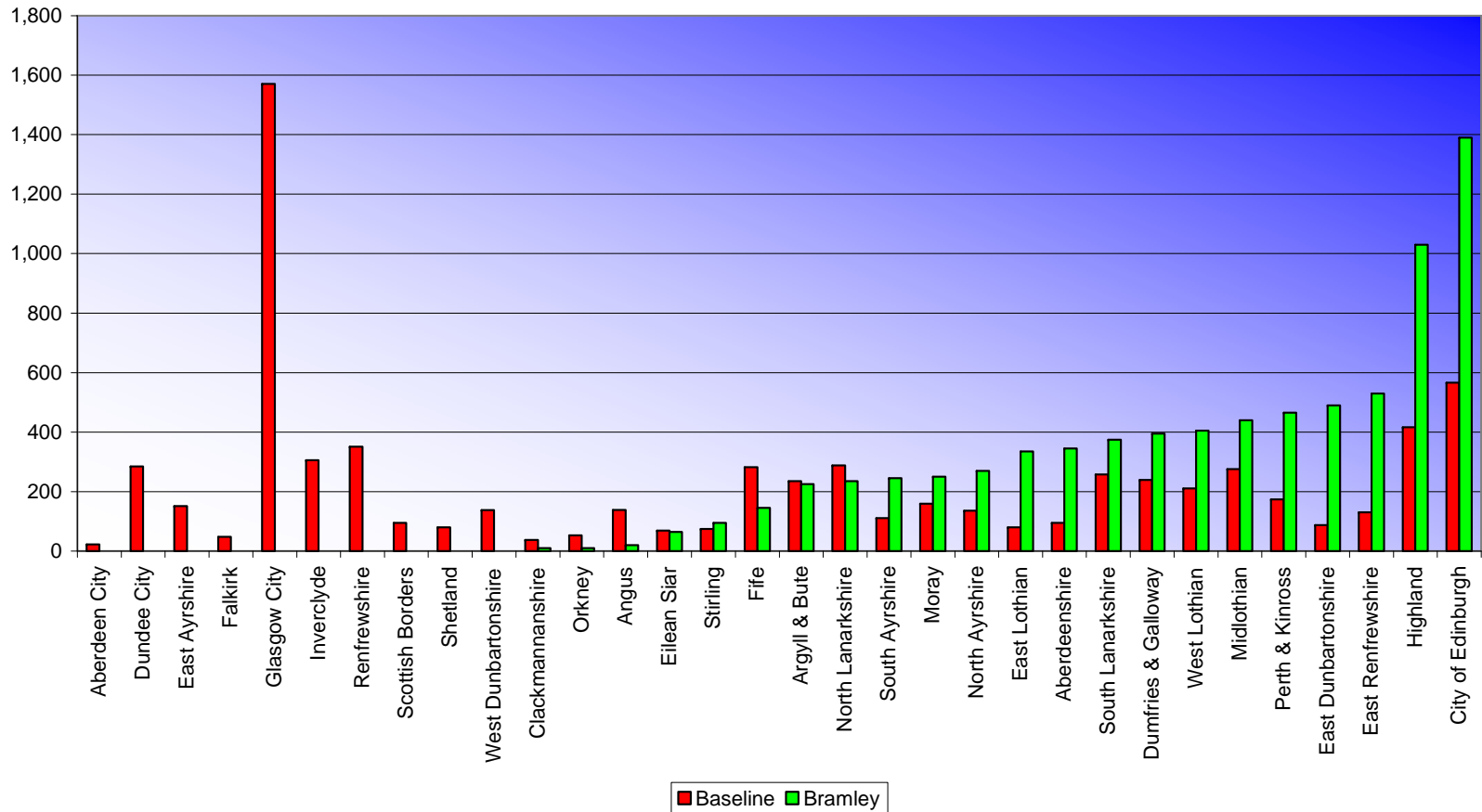
Where new build should be focused

Comparison of Waugh Model (2011/12) and Bramley Model Results (2011)



Where we have been building

Baseline vs Bramley in 2011



Wider issues for modelling

- Limitations of Local Authority level analysis for large rural areas.
 - Supply and demand data issues for smaller geographies.
 - Match between household types/ houses and preferred tenure.
 - Nationally almost all non-priority are single.
 - high proportion of these are young/ young middle aged men.
 - Not a large variation between most councils in this pattern.
-

Key Inputs: Big impact

Demand

- Incidence of homeless applications
 - (rate per 1,000 in age band)
- Lost contact rates.
- Impact of prevention.

Supply

- Relet/ turnover rate.
 - Decants from planned demolitions.
 - Available PRS lets.
 - New building.
 - Sales to sitting tenants.
-

Where we go from here

- Homeless Statistics Team will
 - Update inputs to 2007-08 outturn data.
 - Offer councils opportunity to check key inputs.
 - Look again at external drivers of numbers of applications by age.
 - Homelessness Statistics Team could
 - Offer to run the model on request for a single council using own assumptions.
 - Sub-area [or household type] analyses?
 - Visit councils and talk through modelling issues.
-

Discussion: Key issues for councils' modelling

- Actions/ decisions to be supported/ informed.
 - Improving key input information.
 - Robust and credible.
 - Monitoring and review.
-

The End

