

Background Papers, if any, are specified at the end of the Report

**HOUSING COMMUNITY ORGANISATIONS BUDGET – HOUSING
INTERACTION TRUST**

Contact Officer: Michael Veryard (014940 732200)

RECOMMENDATIONS

That the Council issues a grant of £40,000 to Housing Interaction Trust to support and maintain the Trust's work in Chiltern District in 2014/15 15, of which £10k to be applied from the homelessness reserve.

Relationship to Council Objectives

- 1. Efficient and Effective Customer Focussed Services*
- 2. Safe, Healthy and Cohesive Communities*

Implications

- (i) This is not a key decision*
- (ii) This is within the Policy and Budgetary framework*

Financial Implications

The sum of £30,000 is available in the Council's Housing Community Organisations Budget and could be used to provide grant funding to Housing Interaction Trust. A further £10,000 could be provided by transferring funds from the Council's Homelessness Reserve.

Risk Implications

The work of Housing Interaction Trust directly contributes to minimising and preventing homelessness in Chiltern. If the Trust has to reduce its service delivery, then the Council will potentially face an upturn in demand for homelessness assistance and temporary accommodation with an impact on staff time and budgets (the average cost of placing a household in bed and breakfast during 2013/14 has been £875.00 per household).

Equalities Implications

The services provided by Housing Interaction Trust support the Council in reducing the inequalities between vulnerable households in

housing need and other members of the community.

Sustainability Implications

None

Report

1 The Council's housing revenue budget for 2014/15 includes a sum of £63,000 set aside for housing community organisation projects that will help the Council to meet its strategic housing priorities. This budget includes:

- £25,000 to support the continuation of the Chiltern CAB Specialist Debt and Money Advice Service and
- £8,000 to support the continuation of the work of the Rural Housing Enabler in Chiltern (returning empty properties back into use).

The remaining sum of £30,000 is unallocated.

2 The Council has annually considered a request from HIT (Housing Interaction Trust) to support the delivery of housing advice and support and homelessness prevention services for young people in Chiltern. In May 2013, the Cabinet agreed to make a grant payment of £30,000 from the Housing Projects Fund to support the delivery of HIT's core services in 2013/14. The Cabinet also agreed a one-off payment of an additional £10,000 to support HIT in maintaining its service levels in response to the rising demands for homelessness assistances and the increase in clients with multiple and complex issues. This was on the understanding that Council officers would continue to work with HIT to identify and maximise other funding opportunities.

3 HIT has submitted a statement to the Council providing an update on its activity in Chiltern and an overview of its services and financial position. A copy of this statement is in **Appendix 1**. It goes on to detail summarise HIT's request for funding from the Council in 2014/15.

4 HIT's statement acknowledges that the Council's payment of £10,000 in 2013/14 was made as a one-off payment. However, the Trust has requested that the Council considers making a grant payment of £40,000 in 2014/15 to support the continued delivery of the Trust's core services. This would match the overall level of grant funding provided to the Trust by the Council in 2013/14.

5 HIT states that the requested sum of £40,000 is necessary to maintain the level of service and support that is currently provided. The statement highlights that:

- None of the clients that approached HIT for assistance in 2014/15 subsequently made a homelessness application to the Council.
- HIT have secured grant funding from a range of charitable and private bodies, but face challenges to access funding for existing projects and services.
- HIT have been using other funding resources and its own reserves to cross subsidise the delivery of its core service in Chiltern.
- Clients are presenting with an increasing range of difficult and complex support issues. This includes an increasing number of clients with complex mental health issues. This is impacting on workloads with the HIT workers having to spend longer periods working with individual clients to respond to these issues.

6 When the Cabinet reached its decision in May 2013, it emphasised that moving forward it was important that Officers worked closely with HIT to maximise other available funding. Since then, Officers have been monitoring national and local funding streams to identify opportunities for the Trust to apply for support. However, such opportunities have been very limited. As indicated in HIT's statement, any new funding opportunities are generally focussed on funding new schemes and initiatives and are not available to sustain existing services. An example of this is the funding made available by Government via the BOSH (Bucks and Oxon Single Homelessness) Group. The Council worked with HIT to secure a sum of £5,000 via the BOSH Group to fund a specific HIT project to support clients in finding employment during 2013/14. However, this funding was only for a specific project and only available for a 12 month period. The BOSH funding was not available to support existing on-going advice and support services such as HIT's core services. Officers continue to be pro-active in looking for further opportunities. HIT has had some success in directly securing one-off funding from other agencies, but again these are linked to specific projects (e.g. £1,000 from the Greggs foundation to pay for furnishings in supported housing).

7 The HIT statement highlights the increasing demands on the service with rising numbers of clients and complex support issues (e.g. mental health). The number of active clients being managed by the Trust varies from month to month depending on the number of new clients coming through and the number of existing clients who move on the from the service or simply lose touch. Alongside this client work, the Trust undertakes outreach work in schools to teach pupils about the realities of housing and to help prevent homelessness. Based on the monitoring data that HIT provides to the Council, the position over the last 3 years has been set down in the table below. The table illustrates the link to the Council's annual funding contribution by showing how this funding breaks down on a per client/pupil basis.

HIT Activity and CDC funding 2011/12 to 2013/14

Year	Average number of active HIT clients at any one time (Based on monthly statistics) A	Number of pupils seen through school outreach sessions B	CDC Payment to HIT C	Payment per client/pupil seen C / (A+B)
2011/12	153	401	£30,000	£54
2012/13	182	490	£30,000	£45
2013/14	188	1330	£40,000	£26

As can be seen, there has been significant increase in the active client base since 2011/12. Alongside this, the level of pupils seen via school outreach sessions has increased nearly threefold with a significant upturn in 2013/14. Consequently, although the Council made an increased overall annual payment in 2013/14, there was a reduction in the cost per client/pupil who engaged with the service during the year.

- 8 The statement highlights that a lower grant of £30,000 would result in HIT having to review and reduce its services. It is likely that the outreach work in schools would have to be significantly reduced and potentially ended. The Trust would focus on trying to maintain its frontline advice and support service. However, it is likely that the Trust would need to reduce its “drop-in” advice service, which would impact on the ability of new clients to access the service and on the availability of staff to deal with existing clients facing a crisis situation.

- 9 The HIT statement highlights the impact of the Trust’s work on the Council’s statutory homelessness service. This includes the impact of the Trust’s homelessness prevention work in supporting the Council to avoid having to place homeless young people in temporary accommodation (including Bed and Breakfast). To illustrate this impact, it should be noted that that the average cost the Council of placing a household in Bed and Breakfast during 2013/14 has been £875.00 per household. During 2013/14 (up to 28th February 2014) HIT received a total of 62 new clients. If HIT been unable to take on these clients and prevent them becoming homelessness, it is likely that some or all of them would have approached the Council and required temporary B & B accommodation at the following costs:

Percentage of new HIT clients in 2013/14 (Total = 62)	Notional cost of B & B placements if clients had approached CDC (based on average cost of £875.00 per client)
25% (16 clients)	£14,000
50% (31 clients)	£27,125
75% (47 clients)	£41,125
100% (62 clients)	£54,250

This table is based on the actual average cost of a Bed and Breakfast placement during 2013/14. However, it should be noted that an increase in homelessness applications (e.g. if HIT had not be undertaking homelessness preventions) would have led to greater pressure on temporary accommodation and longer stays in Bed and Breakfast (with a higher average cost per placement). This also does not reflect the indirect impact of HIT's outreach work in schools, which may have prevented some young people from becoming homeless due to the advice and information provided to them in the schools

- 10 The Council has considered HIT's funding requests on an annual basis and agreed an annual grant of £30,000 per annum over the 13 year period prior to 2013/14. If the Council again agreed to provide funding of £30,000 towards the cost of HIT's core services in 2014/15 then this could be met from the unallocated funding in the Council's Housing Community Organisations Budget. However, as stated by HIT, the Trust would need to review and reduce its existing services with likely cut backs in the outreach work in schools and in the provision of a "drop-in" advice service. This may have an impact of generating more homelessness applications to the Council as a result of young people not receiving effective training on housing issues in school or being unable to access the HIT service via the drop-in. The knock-on effect of this would be an increase in the number of households in temporary accommodation and the associated costs to the Council.
- 11 If the Council was to agree to HIT's request for an overall grant payment of £40,000 in 2014/15, this could be met by:
- £30,000 from the Council's Housing Community Organisations Budget (see above) and
 - £10,000 from transferring funds from the Council's Homelessness Reserve.

A grant of £40,000 would allow the Trust to maintain current service levels and reduce the risk of increased homelessness amongst young people in 2014/15 (and the consequent impact on the Council's homelessness service and temporary accommodation budget). It will ensure that the Trust's housing support work with young people is maintained while the new Chiltern and South Bucks Shared Housing Service is implemented across the two Councils. The implementation of the new shared service will include a wider review of working with

partner agencies such as HIT to deliver housing advice, support and homelessness prevention.

- 12 The provision of a Council grant of £40,000 will also allow time to see the outcome of the Housing Support (formerly Supporting People) contracts review which is being completed by Bucks County Council during 2014/15. As mentioned in the Trust's statement, HIT is currently delivering some of these contracts. The outcome of this review and the future procurement plans that are decided for housing support across Bucks will allow HIT to then review its budget and business plan for its service delivery from 2015/16 onwards.
- 13 In view of the above, it is proposed that the Council provide a grant of £40,000 to Housing Interaction Trust to maintain the Trust's core services during 2014/15. In the event that the Trust's requested grant of £40,000 cannot be provided, it is then proposed that a grant of £30,000 be provided to the Trust in 2014/15 and that officers work with the Trust to manage the reduction in service provision and minimise the impact on homelessness as far as possible.
- 14 **Appendix 2** contains a copy of the Trust accounts for the financial year 2012/13. The Trust's accounts for the last financial year (2013/14) are not yet available.

Background Papers: Statement from Housing Interaction Trust (20/3/14)
