Finance and Resources Committee

10.00am, Friday, 1 February 2019

Housing First

Item number	7.17
Report number	
Executive/routine	
Wards	
Council Commitments	

Executive Summary

This report details an offer of funding from Social Bite and the Scottish Government to establish a Housing First Service in Edinburgh. Funding will be available until June 2021. Following this date, the Council and its partners would be required to fund the ongoing support costs.

Report

Housing First

1. Recommendations

1.1 Committee notes the offers of funding to establish a Housing First service in Edinburgh, which was recommended by the Council's Homelessness Task Force and agreed by the Housing and Economy Committee.

1.2 Committee notes the financial commitments set out in the report and that these would need to be prioritised within the existing budget, as part of the Council's budget setting process. The Council will continue to explore options for external partners to contribute to the service provision in future years.

2. Background

2.1 Housing First has been developed as an alternative to the approach where people experiencing homelessness first engage with short-term residential and treatment programmes prior to being assessed as "ready" for housing or being offered a tenancy.

2.2 Initially developed in the United States in the 1980s, it has been adopted elsewhere notably Scandinavia and more recently in the UK and Scotland.

2.3 In addition to the Scottish Government support for Housing First, a number of homelessness charities and third sector partners are also actively promoting the Housing First approach.

2.4 Following the Sleep in the Park events run in 2017 and 2018, Social Bite and the Scottish Government have made available funds to pilot and establish a Housing First approach in Edinburgh for 2 years.

2.5 Full funding is available to the Council for up to 275 support packages over an initial 2-year period. The Scottish Government has also agreed to fund 50% of the support costs in year three, to further support the roll out.

2.6 Following the period funded by Social Bite and the Scottish Government the Council and its partners would be required to fund the ongoing support costs, which are estimated to be around £2million per annum.

2.7 The Council and its Registered Social Landlord partners will provide the accommodation for the delivery of Housing First.

3. Main report

3.1 Housing First was developed in the United States as a response to perceived failings in improving the life chances of adults with very high and complex needs. It came from a realisation that people were often failing to complete all the tasks necessary to move between one step and the next.

3.2 In addition, some would be excluded due to strict rules on abstinence from drugs and alcohol and being required to participate in psychiatric treatment. Instead new 'Supported Housing' services as part of Housing First in North America did not require abstinence from drugs or alcohol, and they did not expect full engagement with treatment as a condition for being housed.

3.3 In part Housing First arose from the recognition of the high cost associated with repeated long-term use of homelessness services, demands on health and social care services and contact with the criminal justice system and existing services were not ending homelessness for a group of these people.

3.4 Housing First has been developed in Europe including Scandinavia as well as now starting to be used in parts of the UK, including Scotland where there is growing interest. Some early projects are in place which include Glasgow. More recently Social Bite have engaged with the Council to develop a Housing First approach with 275 properties set aside through the EdIndex partnership.

3.5 Housing First prioritises the right to a home above and before the obligation to engage with housing support services or transitional housing arrangements based on the concept that a homeless individual or household's first and primary need is to obtain stable housing, and that other issues that may affect the household can and should be addressed once housing is obtained.

3.6 Housing First seeks to move homeless people into permanent housing as quickly as possible with on-going, flexible, and individual support as long as it is needed on a voluntary basis, emphasising choice and self-determination of service users as an essential element and using a harm reduction approach.

3.7 In summary the key principles of Housing First are as follows;

- People have a right to a home;
- Flexible support is provided for as long as it is needed;
- Housing and support are separated;
- Individuals have choice and control;
- An active engagement approach is used;
- The service is based on people's strengths, goals, and aspirations, and;
- A harm reduction approach is used.

3.8   Research generally supports Housing First as a successful solution to homelessness.

The main results have been found to be:

- High rates of housing retention among people with high and complex needs, typically achieving sustained housing for at least one year for around eight out of every ten people Housing First services work with;

- Potential for savings and a more efficient use of resources;

- High satisfaction based on living in their own self-contained flats on a permanent basis, support delivered as long as it is needed, being accepted as they are and being able to be open and honest about the use of drugs and alcohol without fears of being evicted as a consequence; and

- Some improvements in substance abuse and mental health, though less positive results for overcoming worklessness, financial problems and loneliness.

3.9   To deliver Housing First in Edinburgh, Social Bite, through the Corra Foundation procured a consortium of local support led by the Cyrennians. The grant funding was agreed in September 2018 and following recent recruitment exercises support packages are now available, with five new tenants likely to take them up in January 2019.

4.   Measures of success

4.1   The Council should continue to establish a Housing First service with its partners, with the aim of increasing the number of tenancies with support available up to 275 and to take advantage of the funding available.

4.2   During the initial 2-year pilot period, Social Bite have commissioned Heriot Watt to produce ongoing research on the service. During this period, they will provide information on tenancy sustainment, engagement with services and reduction in costs to public services, including savings in relation to pre-existing support funded by the Council, incurred by those involved. These outcomes will be reported to the Housing and Economy Committee on a regular basis.

5.   Financial impact

5.1   Five offers of housing have been made available to tenants so far, with a maximum of 275 Housing First households by June 2020 at an average of 15 new households per month.

5.2   Funding will be provided by Social Bite until June 2020 and the Scottish Government have agreed to provide a further 50% of the required funding for the 12 months to June 2021.

5.3   The Council will be required to fund the remaining 50% for the 12 months to June 2021 and 100% of the required funding thereafter.

5.4   Annual support costs are estimated at £7,500 per household. Total support costs and the proposed split of the required funding are summarised as follows:

Financial year	Average number of households	Total cost (£m)	Social Bite (£m)	Scottish Gov (£m)	CEC (£m)
2018/19	9	0.069	0.069	0	0
2019/20	148	1.106	1.106	0	0
2020/21	271	2.034	0.488	0.773	0.773
2021/22	275	2.063	0	0.258	1.805
2022/23	275	2.063	0	0	2.063
		7.334	1.663	1.031	4.641

5.5   Evidence suggests that Housing First results in an overall reduction in public sector costs due to reduced use of crisis services such as emergency departments, hospitals, and prisons, however no saving to the Council is assumed.

5.6   During the 2-year roll out of Housing First continuous research will be conducted by Heriot Watt University, where they will assess the impact and delivery of the service in Edinburgh. The research will focus on tenancy sustainment, engagement with services and reductions in costs to public services by tenants.

5.7   This research will form the basis for a series of engagement events between the Council and partner agencies to assess the support required to mainstream Housing First taking account of the savings made.

6.   Risk, policy, compliance, and governance impact

6.1   N/A

7.   Equalities impact

7.1   The are no equalities issues which arise from the content of this report.

8.   Sustainability impact

8.1   N/A

9.   Consultation and engagement

9.1   N/A

10. Background reading/external references

10.1 Housing First Evaluation | Heriot-Watt University
https://www.hw.ac.uk/schools/energy-geoscience-infrastructure-society/research/i-sphere/homelessness-social-exclusion/housing-first-evaluation.html

10.2 University of York review of a range of Housing First research from across the UK, Europe, and America https://www.mungos.org/wp-content/uploads/2018/02/ST_Mungos_HousingFirst_Report_2018.pdf

10.3 Scottish Government Local Government and Communities Committee Report on Homelessness
https://digitalpublications.parliament.scot/Committees/Report/LGC/2018/2/12/Report-on-Homelessness#Foreword

10.4 Chartered Institute of Housing – Housing First in the UK and Ireland
http://www.cih.org/resources/PDF/Scotland%20Policy%20Pdfs/Housing%20First/CIH0220-PDF-B_Housing%20First_RV_13112017%20FINAL.pdf

10.5 Housing First Guide Europe http://housingfirstguide.eu/website/

10.6 Housing First in Permanent Supportive Housing Brief - HUD Exchange
https://www.hudexchange.info/resources/documents/Housing-First-Permanent-Supportive-Housing-Brief.pdf

10.7 Glasgow Homelessness Network Seminar May 2017
http://www.ghn.org.uk/shien/wp-content/uploads/sites/5/2017/05/Housing-First-Report-1.pdf

Alistair Gaw

Executive Director for Communities and Families

Contact: Nicky Brown, Homelessness and Housing Support Senior Manager

E-mail: nicky.brown@edinburgh.gov.uk | Tel: 0131 529 7589

11. Appendices

11.1 None