



# LONDON VENTURES

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*innovation through collaboration*

## Temporary accommodation, housing and homelessness: London Ventures progress summary

July 2017

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## What is London Ventures?

London Ventures is a partnership between London Councils, the umbrella body for London local government, and EY, a leading professional services firm, and overseen by the Capital Ambition Board (CAB). Our vision is to actively pioneer innovation to drive sustainable change and transformation across the public sector, by providing:

**Opportunities for local authorities to access innovation and transformation that will improve their effectiveness and efficiency while ultimately delivering improved outcomes for London's citizens, communities and businesses**

We achieve this by creating collaboration between innovative companies, investors, and all 33 London local authorities. Our programme will look at the challenges of changing and growing customer demands alongside reduced financial budgets.



We are committed to delivering better outcomes for local authorities and Londoners through innovation



We have £100,000 seed funding to support and nurture initiatives that tackle our priority issue



We have strategic relationships with local authorities who can sponsor programmes of work and initiatives



We help support local authorities to get the best value offer with our partners



We have a trusted brand in the local authority market; London Ventures provides endorsement and access to the market

### Targeting our efforts towards a strategic issue

Based on the success of working with a diverse group of existing Venture Partners, we are now applying our learning and experience of cross-sector collaboration and innovation to tackle some of London's biggest issues. Having experienced the role that innovation can play in improving outcomes for local authorities and the communities they support, we are deploying a new approach to tackle some of the sector's biggest challenges.

Our first targeted issue is based on **temporary accommodation, housing and homelessness**. To ensure a thorough understanding of the issue, we have worked with a wide range of organisations, people and departments across sectors who have experience in this area. We have focussed our work towards directly addressing issues raised by these groups, including those currently on the path to housing, in order to find a variety of solutions that work for all and are complementary to other initiatives.

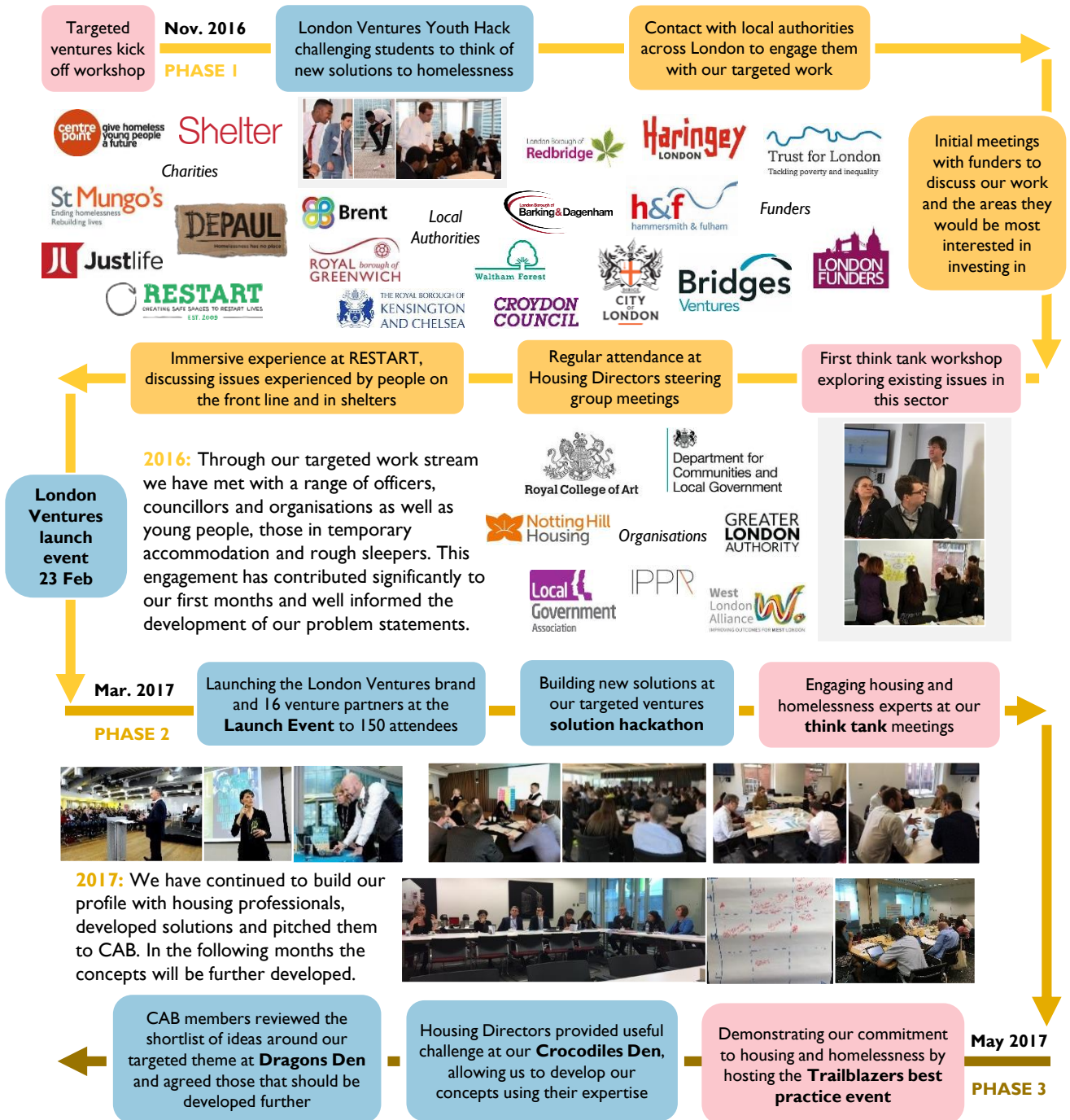
With the overall objective of changing the market landscape through developing a varied portfolio, we have aimed to source a range of solutions for local authorities that will ultimately improve outcomes for Londoners and those affected by homelessness. The rest of this document outlines the process we have followed and the outcomes we have achieved to date.

If you are interested in the work we are doing or want to stay in touch with our progress in London and the achievements of our existing Venture Partners, sign up to our newsletter here and check out our website: [www.londoncouncils.gov.uk/our-key-themes/london-ventures](http://www.londoncouncils.gov.uk/our-key-themes/london-ventures) and Twitter: @LdnVentures



# Our journey so far: November 16 – July 17

Since the publication of our [temporary accommodation, housing and homelessness prospectus](#) (outlining our first phase of work), we have been increasing our activity around targeted ventures, exploring the work currently tackling our key problem areas, engaging a wide range of organisations eager to bring change in this area, and refining and developing the most innovative solutions. The diagram below gives a snapshot of our activity to date.



# Our approach to tackling the issue

Our approach is designed to develop an understanding of the whole landscape of the challenge and to identify opportunities where the programme can provide additional support. We have now concluded the first three phases for the first cycle of targeted ventures.

## ✓ 1. Understand the problem

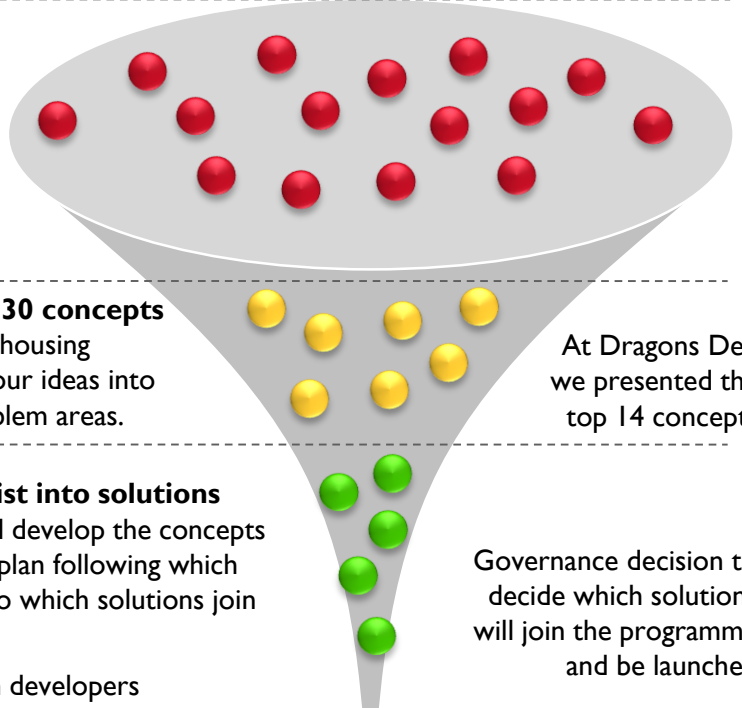
Extensive research in order to understand the context of the issue in London, the initiatives already taking place and, importantly, the impact homelessness and living in temporary accommodation has on individuals. Using this we developed a series of problem statements to target potential solutions towards.

## ✓ 2. Find the solution: identified 100+ ideas

Through cross-sector engagement and a series of workshops and hacks we identified a long list of ideas that could potentially solve the challenges identified in the prior phase.

## ✓ 3. Develop the solution: refined to 30 concepts

Using subject matter specialists such as housing officers and our think tank, we refined our ideas into concepts and aligned them to core problem areas.



## 4. Build and launch: develop shortlist into solutions

*Step one:* following Dragons Den we will develop the concepts and solutions with a high level business plan following which there will be a governance decision as to which solutions join the portfolio and get seed funding

*Step two:* chosen solutions are built with developers and local authorities to deliver improved outcomes.

We need your help to build and launch our solutions. We are looking for:

Targeted Ventures portfolio



Next steps



**DEVELOPERS** to build and deliver one of our solutions



**LOCAL AUTHORITIES** interested in playing a key role in development and implementation of new ideas



**INVESTORS** who want to support the incubation and development of new opportunities



# Understanding the problem: the growing issue of temporary accommodation, housing and homelessness in London

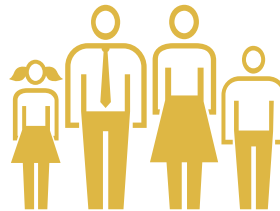
Temporary accommodation, housing and homelessness is a priority issue across London. The number of people who are homeless has been steadily increasing in recent years and is considered to be due to a combination of complex socio-economic factors which may include welfare reforms, reducing numbers of council owned homes, and the increasing cost of renting privately. These effects have been magnified in London where the population size has meant the impact of limited affordable housing is particularly severe. There has been an increase in the number of individuals and households who are unable to pay rent, and thus are evicted from their homes, become homeless, and may be placed in temporary accommodation for an extended period.

## Problems are particularly severe in London

In London, there are 53,370 households in temporary accommodation. This has increased by 49% since 2011. The proportion of households in temporary accommodation in London relative to England overall is much higher than the proportion of households for which local authorities are required to provide temporary accommodation. The demand on temporary accommodation is particularly strong in London where the increase in the number of households accepted as homeless is much higher than the national average.



London boroughs have spent over **£2 billion on temporary accommodation over the past 5 years**, a 61% share of the £3.5 billion spend across the UK.



**88,040 children in 53,370 households** are currently in temporary accommodation in London, 77% of the total in England.

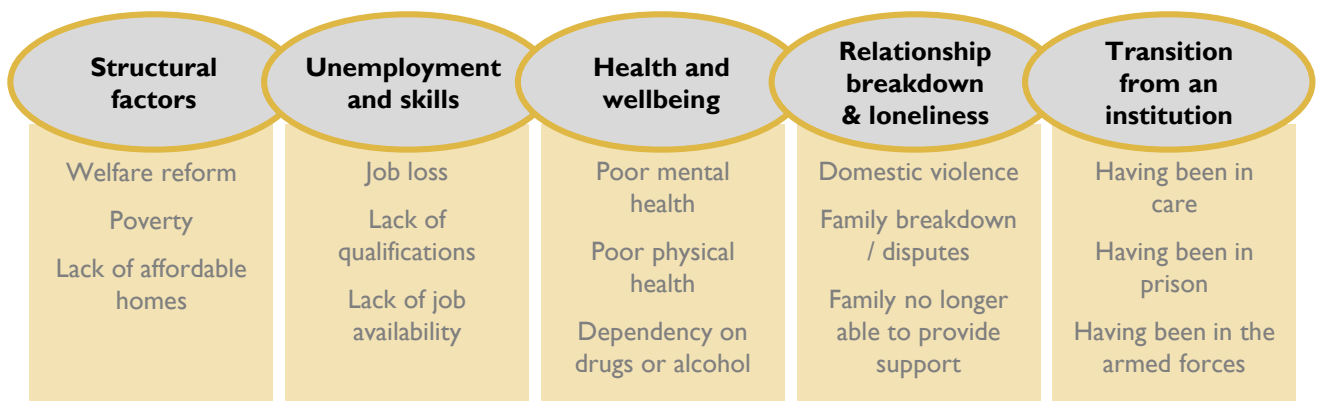
The number of households accepted as homeless in London has **increased by 51% since 2011**, the national equivalent is **15%**.



London's population grew by **5.7%** between 2011-15, almost twice the rate of the UK average (2.9%) increasing the pressure on housing provision.

## Root causes behind the issue

For many people, there is not always a single event that results in homelessness; rather the reasons an individual or household becomes homeless or stays homeless are complex, and the outcome may result from a series of inter-related causes, such as those indicated below.



Sources: Gov.uk



# Understanding the problem: the growing issue of temporary accommodation, housing and homelessness in London

## DEFINING HOMELESSNESS

The term "homelessness" is broad and has a number of interpretations. The below gives an indication of some of the types of homelessness:

**Statutory Homelessness:** To be legally defined as homeless an individual must either lack a secure place in which they are entitled to live or be not reasonably able to stay in their current accommodation. For households who meet further criteria strict local authorities' initial housing offer may be to provide temporary accommodation.



In 2010 – 2011 English local authorities' net current expenditure was c.£345m. Of this around £100m was for providing temporary accommodation. Between 2014 – 2015, London authorities spent **£663m** on temporary accommodation.

**2 Rough Sleeping:** Sleeping on the streets. Different local authorities may define "rough sleeping" differently, meaning that it is hard to quantify the exact rough sleeping population in the country.



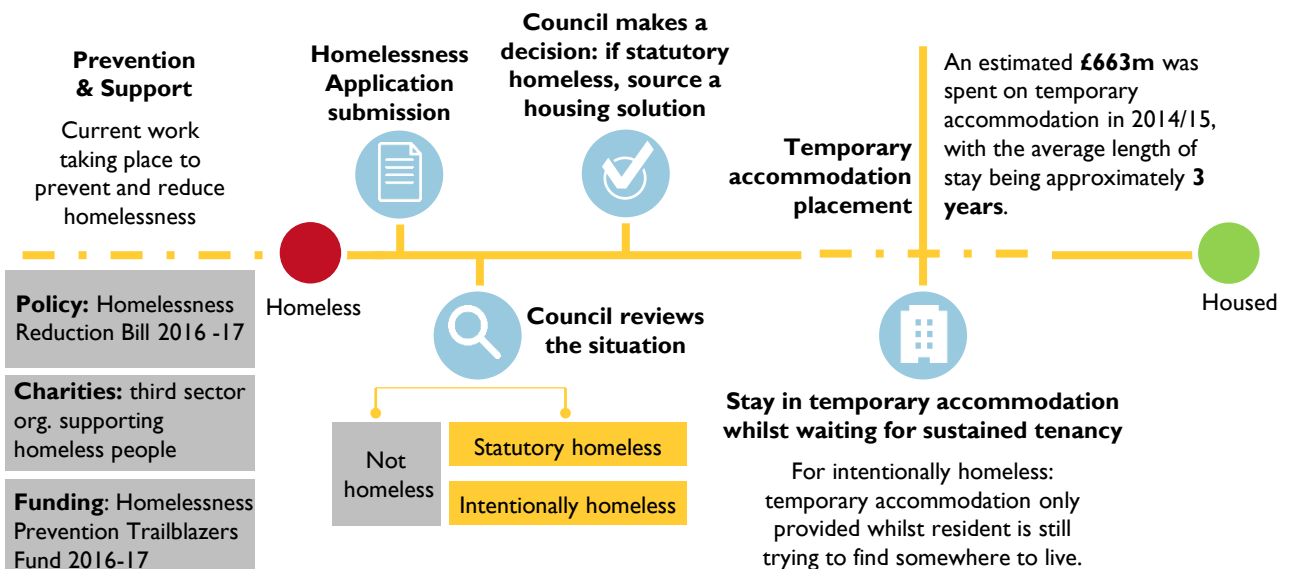
In 2010 – 2011 the average annual spend by local authorities was £7,900 for each rough sleeper. The GLA's 2015-17 Business Plan allocated £8.45m a year for the Mayor's rough sleeping services.

**3 Single & Hidden Homelessness:** An individual is classed as 'single homeless' if they do not have dependent children. 'Hidden homeless' is where an individual is not visible on the street.



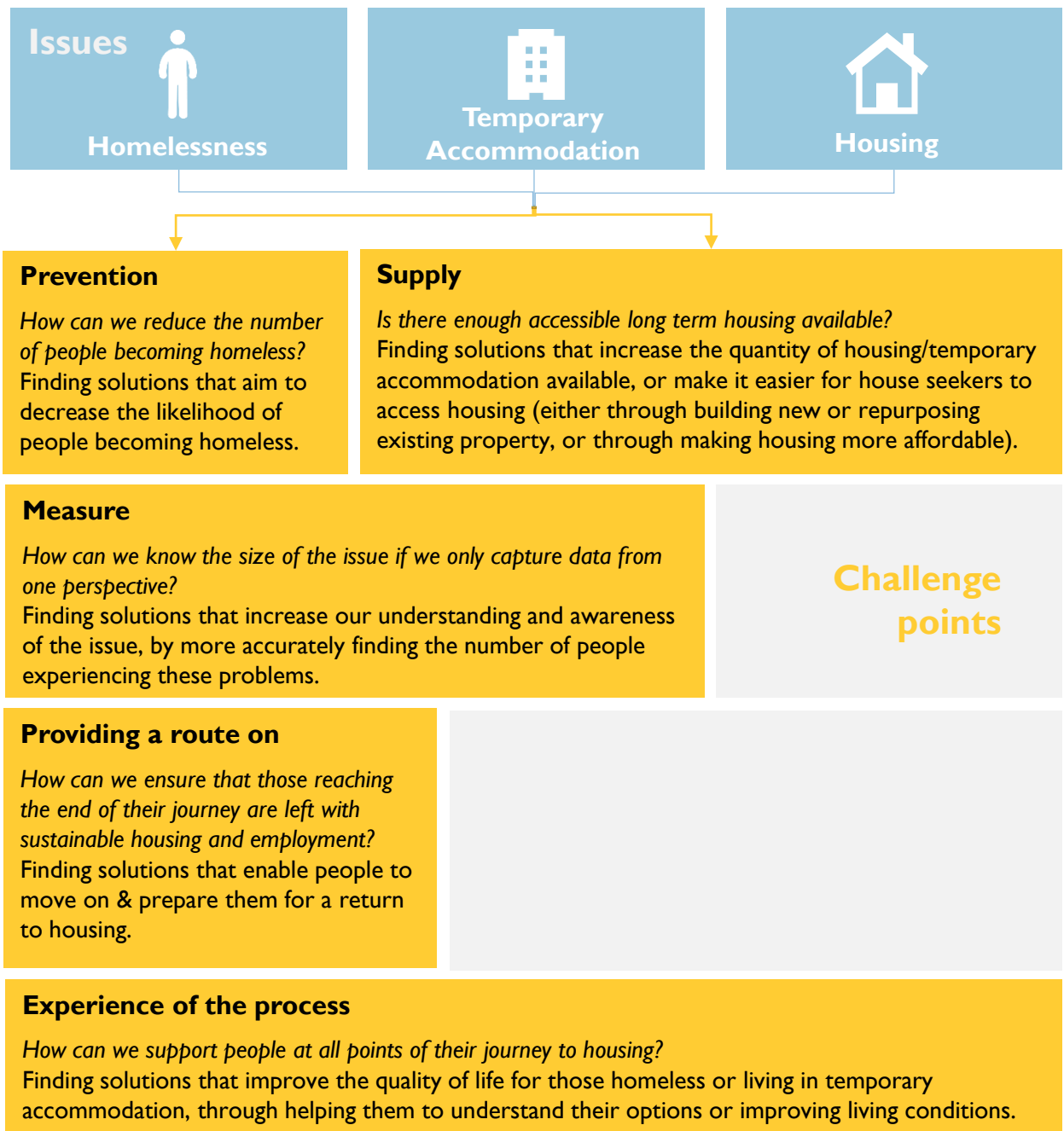
There are no figures for how much hidden homelessness costs although it is estimated that each homeless individual costs the public system £24,000 to £30,000 per year.

## THE ALLOCATION PROCESS FOR TEMPORARY ACCOMMODATION:



## Find the solution: the problem areas and their corresponding solutions

Throughout the *find the solution* phase, we have engaged those involved in or impacted by the categorised issues of housing, homelessness and temporary accommodation. Through our conversations we have identified ‘challenge points’ where key problems seem to originate, or where individuals seem to be lacking the help and support that they need. As a result of this structured approach, a number of solutions were designed which could support one or more of these areas. A complete list of the solutions gathered can be found in the Appendix. Unfortunately, we do not have the capacity to develop all ideas further, but if you would be interested in developing any of these, then please do get in touch: [londonventures@uk.ey.com](mailto:londonventures@uk.ey.com)





## Develop the solutions: refining concepts ready for progression to next phase

Using subject matter input from organisations and housing officers from across London, we refined the longlist of ideas which have been generated into a shortlist of 14. These were then presented to our governance board at a ‘Dragons Den’ session. It was decided that 7 solutions would progress for further development, to ensure that the concepts were feasible and that our capacity is focussed on the solutions which could potentially deliver significant benefit using our support.

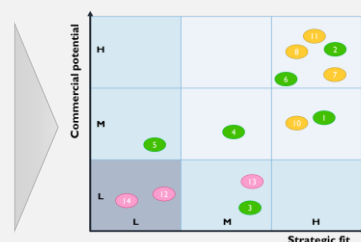
The final list of these, and a brief explanation of the Dragons Den process, can be found below:

### Ideas being developed for the next phase

1	<b>Early identification for those at risk of homelessness</b> Using predictive analytics to identify those households most at risk of entering homelessness, and enabling councils to target earlier intervention and prevention.
2	<b>Modular temporary accommodation on non-permanent sites</b> Local authority owned modular units to be used as temporary accommodation. Harnessing the capabilities of modular build to allow units to be placed on non-permanent sites, as well as be reused across multiple sites. Managing down cost through using cheaper construction and council management.
3	<b>London-wide temporary accommodation platform</b> Setting up a ‘one-stop shop’ for temporary accommodation providers across London. With council-only access, the platform could provide a live, pan-London overview of the properties available allowing faster placements at a more affordable price. The aspiration is to also support local authorities with reporting internally, across London and to DCLG.
4	<b>Support for those choosing to move out of London</b> Creating a support network that makes moving out of London much simpler for those individuals and families who believe this is a viable option and choose to do so. Positioning support officers in the most suitable receiving boroughs that can assist movers in accessing education, health and employment.
5	<b>Transition insurance to reduce the upfront costs of living in private rental sector</b> Removing the need to fund multiple deposits whilst transitioning between properties by establishing an insurance scheme that covers the cost. Working with landlords and local authorities to enable those requiring support to stay in the private rental sector and reduce the likelihood of entering homelessness.
6	<b>Digitisation of Personal Housing Plans (PHPs) and other key documents that support those at risk of or experiencing homelessness</b> Adapting PHPs to be accessible via an app, supporting users with live functionality, meeting alerts, map features and the ability to track progress in council systems via a dashboard. Reduces the need for users to visit the council directly for support and allows them to proactively manage their prevention plans.
7	<b>Digital platform for a lodging scheme supporting single people facing homelessness</b> Collaborating with council and private house owners across London to identify spare rooms that can be utilised for recently homeless single people. Removing the likelihood of rough sleeping by ensuring people have a consistent tenancy for 6months+ at affordable and reduced rents.

### Dragon’s Den

At Dragons Den, feedback was collected and a prioritisation exercise took place: concepts were placed on a matrix of strategic fit and commercial potential for the London Ventures programme. Following this, the Board identified which solutions they believed would deliver most benefit when developed through the programme.



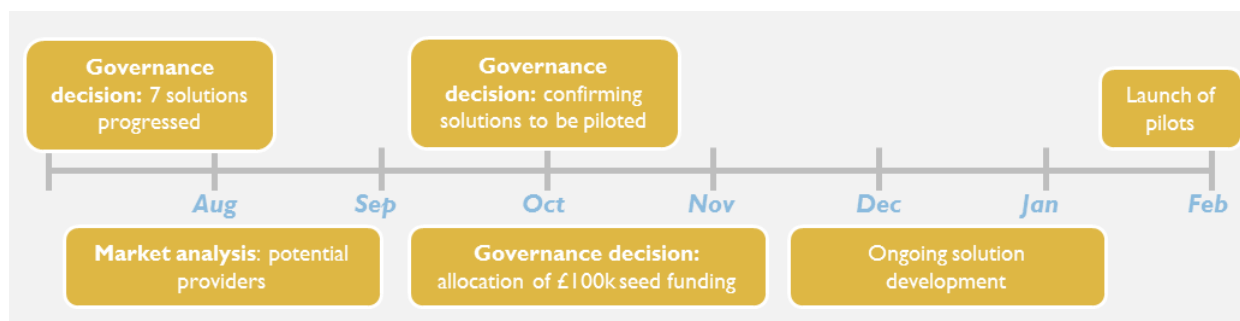
## Next steps for the programme and how you can get involved

### Build and launch: developing the shortlist into live solutions

Following the shortlisting of our overall concept portfolio, we will be developing the seven chosen ideas with support from boroughs, third sector organisations and a range of potential providers. They will be prepared for implementation in partnership with lead local authorities who are keen to sponsor and pioneer these new products, services and ways of working.

#### Timelines for next steps

Our shortlist of solutions was confirmed in July 17. Following this, the London Ventures team will be working to the following timeline:



#### How you can get involved

We would love for you to get involved with our programme. There are many ways you can do that, depending on if you...

##### ... join the discussion and implement solutions

We are keen to ensure that all of our solutions directly work with and are complementary to existing services. Get in touch with us if you are a:



- **Local authority** interested in implementing innovative ideas around housing & homelessness in your area
- **Business** with the tools to develop one of our ideas
- **Organisation** that has suggestions for how we can make maximise the impact of our solutions, ensuring they benefit residents in London

E-mail [londonventures@uk.ey.com](mailto:londonventures@uk.ey.com) to get in touch.

##### ... want to invest in exciting new solutions



We are developing impactful, sustainable solutions that will be implementable across London. These ideas present a brilliant opportunity for investment, with new solutions that have backing from leaders across London, and that will be actively supported and encouraged for take up in local authorities.

##### ... keep in touch with our progress



If you are interested in the work we are doing or want to stay in touch with our progress in London and the achievements of our existing Venture Partners, sign up to our newsletter [here](#) and check out our [website](#).



**Appendix:**  
**Longlist of ideas gathered through the**  
***Find the Solution* phase**



## Find the solution: Longlist of ideas and current schemes

A longlist of solutions was identified that could solve the issues presented in the first phase (please note this also includes initial iterations of our refined shortlist of seven). Unfortunately, we lack the capacity to develop all ideas further – if you are interested in working on any of the below, please get in touch.

PREVENTION	
Sustained tenancy support	Supporting vulnerable young people to sustain tenancies when moving into their first home; incl. coaching and 1:1 support
Digital Passport	Machine learning solution that enables a digital data register to publish and share data with local council services
Transition insurance	Insurance provider for those moving between properties, to assist in paying initial deposit
Ethical Lettings Agency	Rent pricing machine learning algorithm and digital lettings solution – calculates optimal/ethical rent pricing and integrates APIs
Predictive Analytics	Predictive analytics to identify households at risk of homelessness
Life skills training	Teach knowledge and life skills for avoiding homelessness in schools
Employment training	Virtual Reality employment training to ensure employability and reduce the risk of homelessness
MEASURE	
New solution development	Work with local authorities committed to tackling housing-related social problems – through frontline placements, innovation consulting projects and social venture incubation
Gathering data insights	Data collection service, using data mining and existing infrastructure to monitor the size of the issue
Homeless Insight Centre (Integration)	Data collection and analytics database, allowing assessments and information collected from various services to be integrated in one place – accessible to housing teams when looking to make a placement
IMPROVING THE EXPERIENCE AND ROUTES ON	
Temporary Accommodation Boards	Formal, local bodies that should be established to bring together activities of stakeholders of temporary accommodation.
Chatbots	Chatbots can provide answers to relevant housing questions and templates with forms to be completed prior to visiting the local authority and provide support in TA
Social networking site	Dedicated social network set up to help tackle homelessness and link up people experiencing the issue
Specialist housing	Specialist housing for homeless people who have mental health issues, with carers and health workers on site
Mayday Trust	Working more closely with those who are homeless to understand the user journey and their experience with services.



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SUPPLY	
Local authority owned high density social housing	Local authority owned high density social housing, e.g. with shared amenities.
Acquiring underused land	Empowering councils to acquire underused land to build more homes
Co-investing public land	Co-invest public land and direct the delivery of multi-tenure developments through a pan-London vehicle
Garage conversion	Conversion of garages on council estates
Joint property purchase scheme	Acquisition schemes to collaborate across boroughs
Pan-London procurement	Pan- London procurement for temporary accommodation in order to increase the number of tenancies available but also manage the cost of these tenancies.
Housing co-operatives	New co-operatives – as a housing option for people threatened with homelessness or homeless in temporary accommodation
Property guardianship	Property guardianship for rehabilitating homeless
Discharging duty	Standardising politics and processes around discharging duty out of London or to other inner London LAs
Homeshare	Someone who needs small amount of help to live independently in their own home provides a spare room and facilities free of charge to someone with a housing need who can provide support or companionship
Matchmaking service	Matching short term accommodation seeker with hosts who have a spare room
Shared accommodation network	Creating a network of organisations that offer accommodation brokering services across London, giving insight into which locations are most overpopulated
Local authority modular homes build & ownership	Modular buildings and modular homes are sectional prefabricated buildings, or houses.
Affordable modular housing to buy	Modular homes to buy for those on low incomes.
Creating stable tenancies	Preventing crisis homelessness through early action and reform of the private rented sector to make it more stable and affordable
Landlord incentivisation scheme	Incentivise landlords to rent to homeless people
Real Property Lettings Fund	Combines investment from social investors and LAs to purchase properties for use as TA. LA nominates tenants who would otherwise be in TA and Real Lettings (run by St Mungos) manages the tenancy.



# Contact Us

Please get in touch to find out more about the London Ventures programme, our current Venture Partners and how we are innovating across the public sector.

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## Find out more

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