



LONDON VENTURES

innovation through collaboration

Temporary accommodation, housing and homelessness: Solution Update

March 2018

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London Ventures: Who we are

London Ventures is an innovation programme focused on driving sustainable change across London's local government. It is sponsored by the Capital Ambition Board (CAB) and delivered in partnership between London Councils, the umbrella body for the 33 local authorities in London, and EY, a leading professional services firm.

Our programme aims to support local authorities with solutions that address their key challenges in the context of changing and growing customer demands alongside reduced financial budgets.

Our vision is to provide:

Opportunities for local authorities to access innovation and transformation that will improve their effectiveness and efficiency while ultimately supporting radical improvements in outcomes for London's citizens, communities and businesses.

We achieve this by facilitating collaboration across sectors, including all 33 London local authorities, innovative companies, forward-thinking charities and social investors.



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

Using innovation to tackle a key strategic issue

Since October 2016, the London Ventures programme has been focusing on the key issue of **temporary accommodation, housing and homelessness** – a priority for local authority leadership in London. We have now begun our second cycle addressing the challenges faced by **children and families**.

We have engaged widely with public, private and third sector organisations, built a recognised hub for innovative thinking with our trusted brand, and identified four transformative solutions to temporary accommodation, housing and homelessness that we are striving to make a reality.

Working with London local authorities, third sector organisations and a range of providers and developers, we are currently developing solutions to support local authorities in improving outcomes for those affected by homelessness. The four solutions, and our approach to making each a reality, are detailed in this document. Details regarding our second cycle are also included.

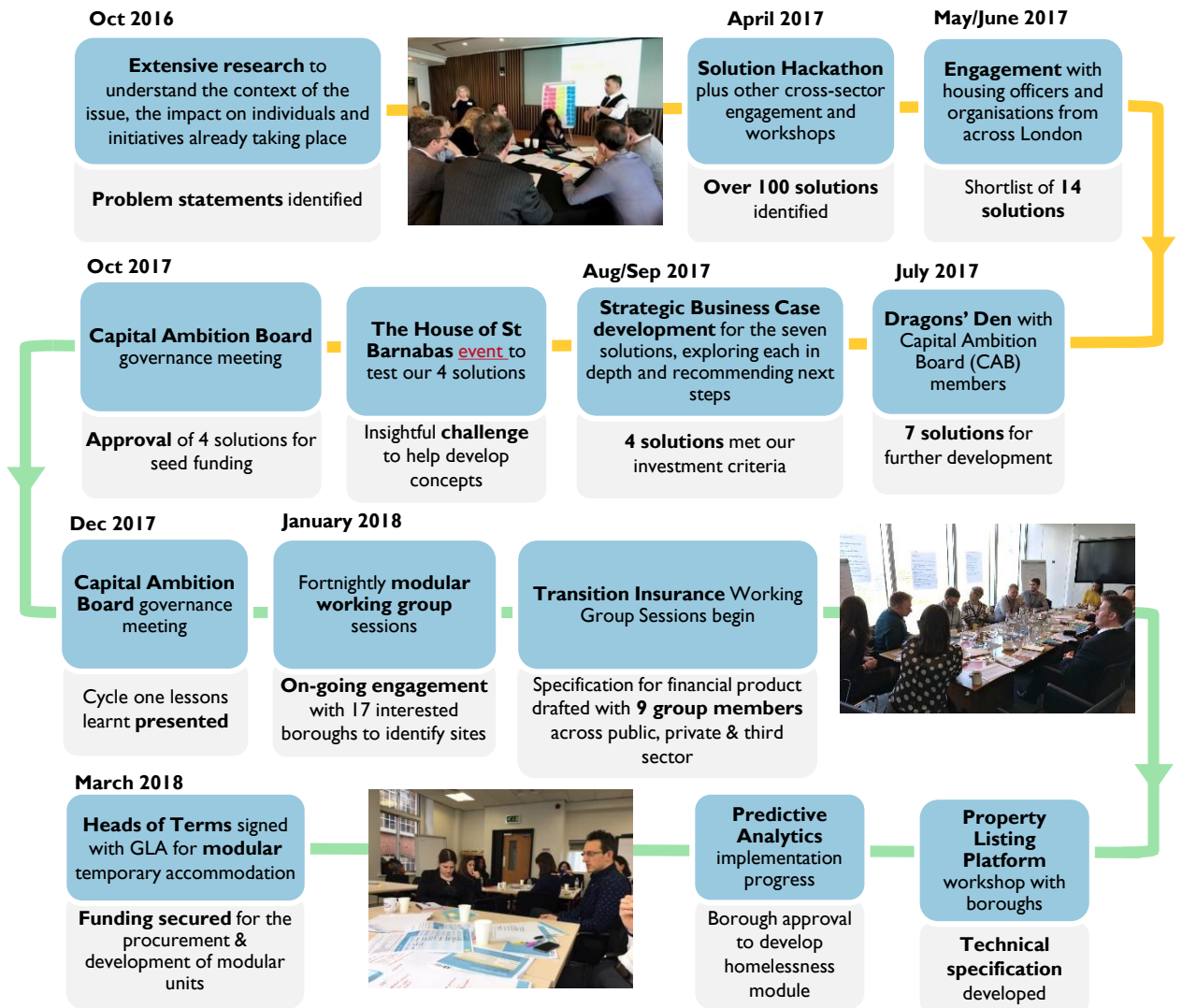
If you would like to find out more about our programme and our work to date, please:

- Check out our website: www.londoncouncils.gov.uk/our-key-themes/london-ventures
- Sign up to our newsletter: www.londoncouncils.gov.uk/our-key-themes/london-ventures
- Follow us on: Twitter [@LdnVentures](https://twitter.com/LdnVentures); LinkedIn <https://www.linkedin.com/showcase/10991714/>



Temporary accommodation, housing and homelessness: Our journey so far

Since starting our first targeted ventures cycle in October 2016, the London Ventures programme has had a significant impact. We have identified, and are currently developing, **four innovative solutions** to tackle the key strategic issue of temporary accommodation, housing and homelessness.



To launch our four solutions, we are currently working closely with:



LOCAL AUTHORITIES
sponsoring the development and implementation of new ideas



BUSINESSES & DEVELOPERS to build and deliver our solutions



INVESTORS to support the incubation, development, and launch of new opportunities and solutions



I. Early identification of those at risk of homelessness

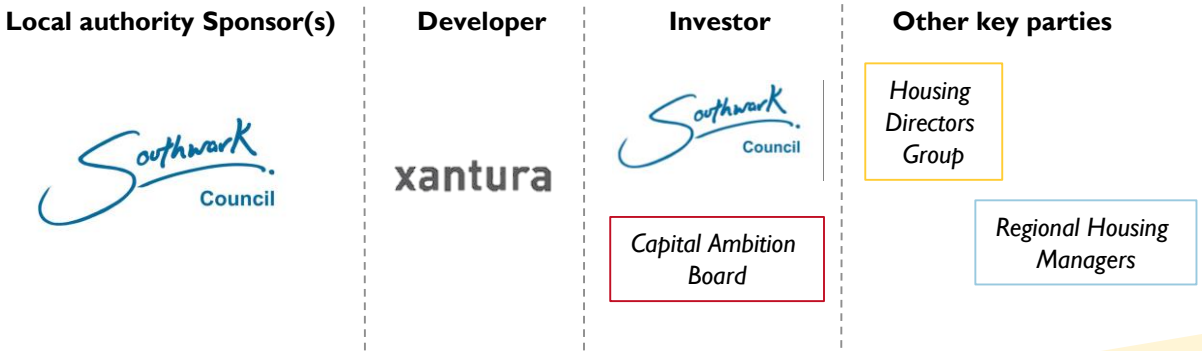
Uses predictive analytics to identify households most at risk of entering homelessness. Enables local authorities to target earlier intervention and prevention.



Problem we are trying to solve: Lack of visibility on who is going to present as homeless.

Aim: Use data insights to enable a reduction in the number of people presenting as homeless.

Key stakeholders: We have been working closely with the following stakeholders to ensure this concept becomes a reality:



How it works: Uses predictive analytics to identify individuals and households at high risk of homelessness early based on historical factors and data collated from other local authority and public services (i.e. police and health). They can then be prioritised for receipt of preventative measures.

Outcomes: Improved quality of timely, evidence-led preventative interventions. Reduced number of people needing to access high cost housing services, lowering the demand for temporary accommodation and council housing. Reduced cost to local authorities through prevention of expensive intervention.

Model built by summer 2018 and implemented by winter 2018*

Activity update:

- Supported local authority governance processes to agree sign off and implementation
- Undertaken on-going engagement with other boroughs and interested stakeholders

Next steps:

- Mobilise the Southwark and Xantura teams with support from London Ventures
- Start development of the homelessness module with Southwark and Xantura
- Oversee solution design and development

How can you get involved? We are currently looking for local authorities who are interested in understanding how predictive analytics can support the early identification of homeless individuals and families in their borough. If you want to get involved please contact us at londonventures@uk.ey.com.



*subject to change

2. Modular temporary accommodation on non-permanent sites

Local authority owned modular units to be procured on a pan-London basis for use as affordable temporary accommodation. Units can be placed on non-permanent sites and re-located as necessary.



Problem we are trying to solve: Lack of good quality local authority supply of temporary accommodation.

Aim: Establish a pan-London initiative to generate an additional unique supply of affordable temporary accommodation that can be used on multiple sites – creating portable modular homes.

Key stakeholders: We have been working closely with the following stakeholders to ensure this concept becomes a reality:

Lead local authorities



**CROYDON
COUNCIL**

Developer

TBC

Investor

**GREATER
LONDON
AUTHORITY**

Housing Directors

Capital Ambition
Board

Other key parties

**LONDON
COUNCILS**



How it works: Pan-London procurement of modular units via a local authority owned special-purpose vehicle (SPV) to utilise on meanwhile or under-utilised sites across London. Units and sites to be managed and maintained by this SPV, providing good quality units at affordable rates.

Outcomes: Ability to respond quickly to peaks in demand for temporary accommodation in certain local authorities. Reduced spend on temporary accommodation through local authority ownership and management. Temporary accommodation supply increased at greater speed and lower cost than traditional building methods. Maximised use of available land.

Special purpose vehicle live in summer 2018 and 200 unit pilot to begin in 2019*

Activity update:

- Fortnightly GLA working group sessions with 17 boroughs
- Signed the Heads of Terms with the GLA to secure funding
- Project manager appointed to drive SPV set-up, deliver modular units delivery plan, and develop business plan

Next steps:

- Set up of the SPV
- Development of the unit specification

How can you get involved? If your borough would like to be involved in the modular working group, which is currently overseeing the development of this project, please do not hesitate to contact us at londonventures@uk.ey.com.

*subject to change



3. Financial product to reduce the upfront costs of living in the private rented sector

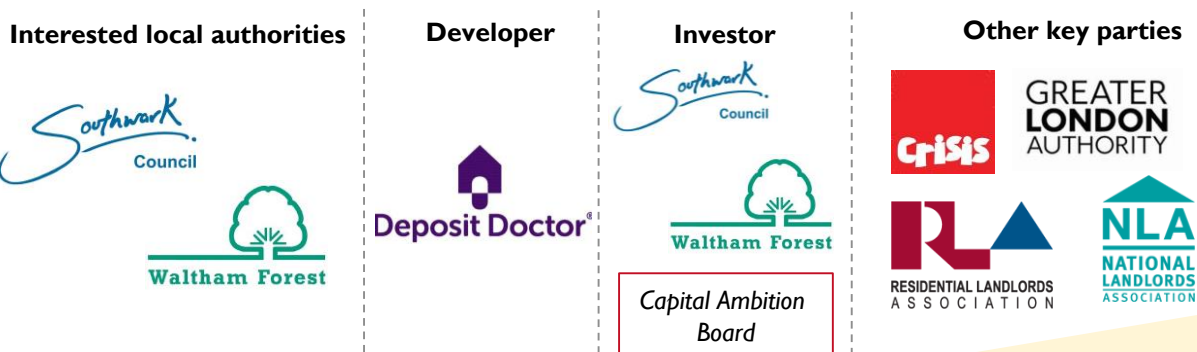
A financial product to remove the need to fund multiple rental deposits whilst transitioning between properties. Enables individuals to remain in the private rented sector and reduces the likelihood of entering homelessness.



Problem we are trying to solve: Those on lower income can often pay rent but not the upfront deposit, therefore a greater number of people are seeking housing support services. Local authorities often write-off as bad debt cash deposits paid on behalf of clients.

Aim: Establish a financial product to provide an alternative to lump sum deposits, keeping residents in the private rented sector and reducing the cost of upfront payments.

Key stakeholders: We have been working closely with the following stakeholders to ensure this concept becomes a reality:



How it works: The tenant, or the local authority on behalf of the clients they would normally support, pay a monthly premium instead of a lump sum deposit. The product will also be open to support the general public to ensure the required volumes can be realised.

Outcomes: Improved access to private rented sector properties as no need to fund large upfront deposits. Cost reduction for local authorities through reduced spend on lump sum deposits and emergency accommodation. Fewer clients presenting as homeless by enabling residents to transition between properties independently.

Call to market prospectus issued in summer 2018*

Activity update:

- Established a cross-sector working group and facilitated four working group sessions
- Overseen the development of a co-designed outline specification
- Engaged with other London boroughs outside of the working group

Next steps:

- Refine product specification and requirements
- Conduct market testing with additional stakeholder
- Develop the call to market prospectus and the process for identifying a suitable partner

How can you get involved? We are currently looking to engage with local authorities interested in understanding more about the financial product and how it could support their offer to residents at risk of homelessness. For more information please contact us at londonventures@uk.ey.com.

*subject to change



4. London-wide temporary accommodation platform

Pan-London platform for local authority use listing all properties available for both emergency and non-emergency temporary accommodation. Increases visibility of options available and enables placements to be made faster.



Problem we are trying to solve: Limited local authority visibility of available temporary accommodation.

Aim: Develop a pan-London platform for local authorities to access and manage, detailing the full range of properties available for temporary accommodation placements.

Key stakeholders: We have been working closely with the following stakeholders to ensure this concept becomes a reality:

Interested local authorities

Capital Letters Working Group
(22 London boroughs)

Developer

TBC

Investor



Department for
Communities and
Local Government

Capital Ambition
Board

Other key parties

Housing Directors Group

How it works: Real-time, pan-London platform listing both whole properties and spare rooms available for use as accommodation within London. Landlords can advertise their properties on the platform after going through a procurement exercise. Properties are listed based on requirements.

Outcomes: Increased housing options for clients. Reduced local authority time spent searching for properties. Better visibility of properties will drive greater market management and reduce spend on temporary accommodation, which is inflated by local authority competition.

Platform live in early 2019*

Activity update:

- Developed outline technical specification with London boroughs
- Undertaken engagement with existing providers operating in this space
- Created the high level options appraisal for developing the specification

Next steps:

- Socialising the technical specification with a wider group of boroughs
- Ascertain written commitment from boroughs to use the technical specification

How can you get involved? The Capital Letters working group has been set up to agree the approach to pan-London joint procurement of temporary accommodation properties, if your borough would like to be involved contact us at londonventures@uk.ey.com.

*subject to change



Children and Families: Our next area of focus

The agreed focus for our **second targeted ventures cycle** is on **children and families**, which has been born out of discussions and engagement with senior stakeholders as well as our ongoing conversations with boroughs as part of the London Ventures programme.

“It’s demand on children’s social care that is now keeping them [senior councillors] awake at night” Richard Watts, Chair of the LGA’s Children and Young People Board

National Picture

English councils spent **£11bn** on Children’s Services in 2016-17, comprising **£8bn** on Children’s Social Care. A **£2 billion** funding gap in Children’s Services is projected by 2020

Spending by English councils on Children’s Services has **dropped by at least 9%** since 2010 whilst the number of **children in need rose by 5%**

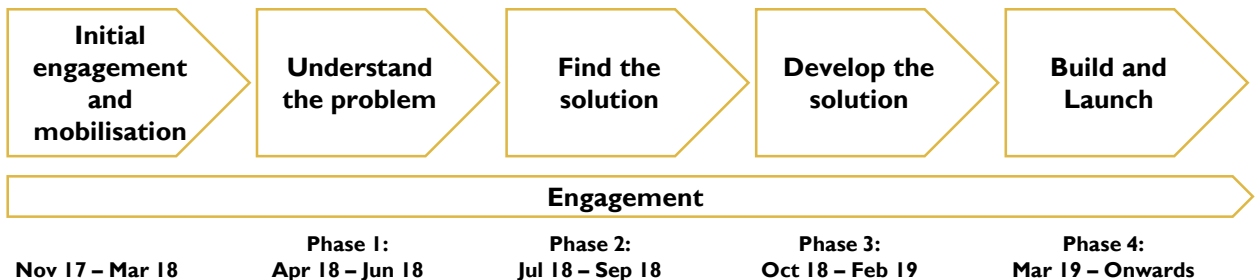
London Challenge

In 2014-15, Children’s Social Care budgets totalled **£1.5 billion** in London

In 2016/17, **27 out of 30 boroughs** reported overspending in their Children’s Social Care budgets

Sources: London Councils, Local Government Association, Department for Education, The Guardian

Since our governance board signed off our **targeted cycle two** strategic focus on **children and families** in December 2017, we have been progressing with our initial engagement and mobilisation to ensure we gain buy-in from relevant sector experts and leads. Below we have mapped out the structured approach we are taking in identifying both the problem and potential solutions.



We have had a strong initial engagement across the public and third sectors. As we come to the end of the ‘initial engagement and mobilisation’ phase, we are looking to further engage and work with Subject Matter Experts (SMEs) to understand what is already happening in the sector. We will also be working with our ‘challenge panel’, which brings together senior SMRs across the public, private, and third sectors to check and challenge us at every stage of our work.

Key Date:

- **21 June 18 – Solution Hackathon:** We will bring together public, private and third sector SMEs to identify a list of potential solutions to the problems within children and families. We are **actively seeking** individuals to participate so please get in touch [here](#) if you are interested.

If you want to get involved or to find out more, get in touch at londonventures@uk.ey.com.



Work with us to turn our innovative solutions into reality and help shape our second cycle

We are working across the public, private and third sectors to bring our four homelessness, housing, and temporary accommodation concepts to life whilst seeking individuals and organisations interested in helping us develop our children and families solutions.

How you can get involved

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



... 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
- **Business** with the tools to develop one of our ideas
- **Organisation** that has suggestions for how we can maximise the impact of our solutions, ensuring they benefit residents in London



... invest in exciting new solutions

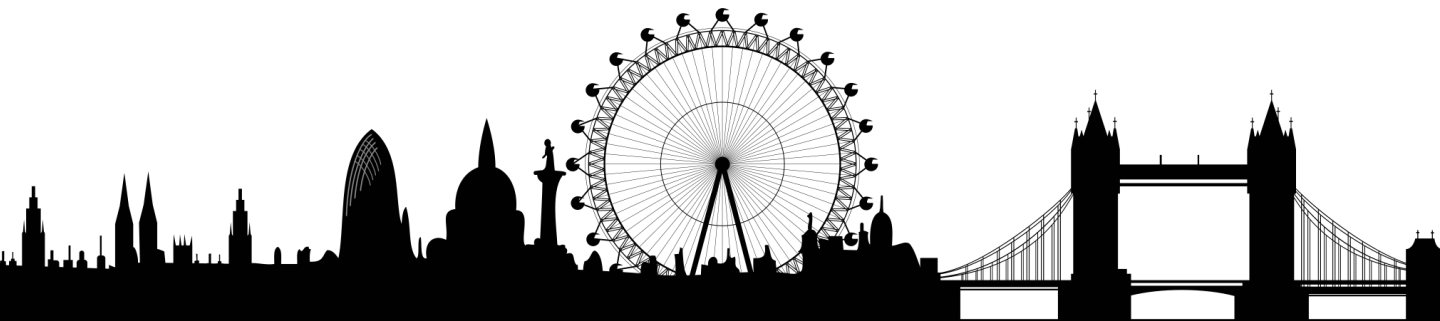
We are developing impactful, sustainable solutions that will be implementable across London. These ideas present a brilliant opportunity for investment, with new solutions that have backing from leaders across London, and that will be actively supported and encouraged for take up in local authorities.



... 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 innovative partners, sign up to our newsletter [here](#) and check out our [website](#).

**Interested in any of the above?
Get in contact with us [here!](#)**



Contact us: How to find out more

Please get in touch to find out more about our programme, our partners, and how we are innovating across the public sector.

Email: londonventures@uk.ey.com



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