

Commonweal Housing & Praxis Community Projects

Housing destitute migrants: Lessons from a pilot project 2015 – 2018

Executive Summary

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Executive Summary

The No Recourse to Public Funds (NRPF)¹ housing project was a partnership between Commonweal Housing and Praxis Community Projects to seek solutions to the problems of destitute migrants with uncertain immigration status. They particularly wanted to explore whether a viable model could be developed in London for two different types of referrals with the expectation that income raised from supporting one group – families supported by local authorities under Section 17 of the Children Act² – would enable the provision of a service, including free bedspaces, for destitute single people. The pilot phase of this project extended over three years (April 2015 – April 2018) and was the focus of a formative and summative evaluation. This report summarises its learning.

Top level findings

1. The model can achieve positive outcomes for all residents and help migrants on a pathway out of destitution. In the pilot, the lives of 46 households were improved. A third of them were single women who were destitute before the project supported them, and who then had a secure base and the support they needed to make sometimes dramatic changes to their lives.
2. The families supported got decent secure homes where children felt safe, and the immigration advice allowed them to ‘take stock’ of their immigration case and change its trajectory and outlook for the better. The holistic support underpinned this and other positive outcomes.
3. Of the small number of cases which had finished by the end of the evaluation, all those advised by Praxis had achieved a positive result, helped by the stable base offered.
4. The injustice the project responded to persists. Families housed under S.17 continue to experience sub-standard accommodation and in some cases advice, and destitute migrants whose status could be regularised continue to be at risk of ill-health, exploitation and abuse on the streets.
5. The main challenge to achieving lasting positive outcomes is the severe lack of affordable housing in London coupled with housing policies, welfare reform and immigration and asylum policies. As a result many residents have not yet achieved long term stability.

¹ Definition of NRPF found in Section 1

² Section 17 of the Children Act is referred to throughout as S.17 and a full explanation is found in Section 1

6. Building resilience through fostering mutual support in sharing arrangements and facilitating attendance at Praxis social groups which were available to residents once they had left the project are vital aspects to the support package and its ability to ensure enduring positive wellbeing, as well as immigration, outcomes.

7. The project provided a steep learning curve for Praxis but is now more financially and operationally viable with nine referring local authorities, 94% occupancy and 3 bedspaces available for single women.³ Praxis is now looking to expand the service.

8. Other organisations can replicate this. There are a range of factors they need to take into account if considering this. The adaptations necessary in different locations, housing markets and organisations are detailed in the report. A comprehensive questionnaire covering this ground is included in the conclusions

9. Praxis was able to pay rent at about 63% of Local Housing Allowance rates which is a reasonable level for social housing providers and it is hoped that some will be actively interested in replicating or developing partnerships to do so.

10. Given the shortage of good quality immigration advice, which is an essential part of the model, it is likely that replication will require partnerships to deliver well.

11. The project most resembles a social enterprise rather than subsidy model, developing an income stream with which to do 'social good' by providing services that are also socially useful.

12. There is merit in growing provision for families placed by local authorities rather than seeing this simply as a means to an end. The holistic support and immigration advice on offer may achieve cost savings attractive to referrers as well as providing decent homes for families supported on S.17.

13. There are ongoing contextual risks posed to the model which will potentially influence its future viability, detailed in the report.

14. The three-year evaluation has been a key component in shaping the project as well as learning about it, made possible by the active engagement of all partners.



³ In addition to those offered in the supporter supplied house, which was closed for repair work at the end of the evaluation period

The model: how it operated and was financed

The model consisted of the following elements:

- Commonweal used social investment to buy a portfolio of 7 suitable properties in outer London which it then rented to Praxis.
- Praxis managed the homes, provided holistic support to the residents and gave immigration advice and support to them via its advice team. It also rented a further house, offered by a supporter at a low rent, which it used as part of the project.
- Praxis marketed the accommodation and support package to local authorities who paid to refer families (mostly single women with smaller children) to whom they had duties under Section 17 of the Children Act 1989 for accommodation, support and advice.
- Single rooms in each shared Commonweal house (up to 7 single rooms- one in each house) plus 3 further beds in the additional rented property were initially envisaged to accommodate destitute migrant women in need of stable accommodation to pursue regularising their immigration status. However due to the nature of family referrals (i.e. families with more than one child), only 2 or 3 of these single rooms in the shared houses were used for single women, who were also offered holistic support, advice and hardship financial support.
- The project was designed around sharing homes, mostly with a mix of single women and families.

Key elements of costings and finances for the model were that:

- The income from clients funded by local authorities covered staffing (including 1 day a week immigration adviser time) and resident welfare plus the costs both of running the seven Commonweal properties as well as Laburnum Road.
- At current staffing levels and assuming 94% occupancy of funded bed spaces the project breaks even on a full cost recovery basis (i.e. including Praxis organisational overheads of about 12% of turnover as a cost to the project).
- The pilot has included a subsidy from Commonweal covering the rent required to meet the yield to investors. The actual average rent paid by Praxis is 63% of the Local Housing Allowance in those areas of London.
- The key added value Praxis brings is its knowledge of the client group and its ability to provide immigration advice and wrap around services to the residents of the scheme to support them to achieve positive legal and personal outcomes. This resource is provided at relatively low cost and its true cost is subsidised by Praxis' own fundraising.

What the project achieved for its residents

- The project delivered 18 bedspaces for families and at least two bedspaces for single women (out of the seven single rooms initially envisaged) in seven Commonweal properties funded by social investment, plus three bedspaces in a three-bedroom house let to Praxis by a supporter at a reduced rent. The inclusion of this house in the project allowed the pilot to increase the number of places available to single women.
- 46 households were accommodated and supported during the three-year evaluation period (April 2015 – April 2018) and 14 of them were non-S.17 cases in ‘free’ bedspaces (9 of them housed in the supporter supplied house). This equates to a ratio of one free bedspace for every 3.28 spaces paid for by local authorities under their S.17 obligations.
- The provision has served mainly women and children because sharing arrangements, which have been a part of the project, would not have been possible between men and families who usually have been headed by a single woman.
- All immigration cases dealt with by Praxis and finished by the time they left the project received positive decisions (9). Other cases were helped to progress, often resulting in access to the asylum system.
- Residents and referral agencies (mainly social services) valued the quality of accommodation, its management and the holistic support package provided including confidence in good quality immigration advice.
- Move on was often to temporary accommodation or accommodation contracted by the Home Office for asylum seekers. Praxis was only able to provide transitional support, although went out of its way to do so.
- The trajectory of continuing uncertainty when leaving the project, caused by shortages of affordable housing and the asylum system, was helped by an emphasis in the project on building resilience by: facilitating access to Praxis groups (which people could continue to attend after leaving the project); supporting mutual support within the shared houses; one-to-one support which connected people to services and helped them understand their situation better.

Learning about the model

- **The properties:** Finding properties that were suitable for sharing was difficult and the properties purchased and let resulted in some constraints in the size and types of families that could be housed. Some were in parts of outer London that risked isolation, and this had to be managed.
- **Immigration advice:** the advice provided by Praxis was essential, as was the stability needed to use it. Some families had to be detached from bad advice and advisers which is easier to do while they are residents in the project through building trust. Immigration cases often take a long time to resolve, and some residents left before a final result, especially if they applied for asylum and so became entitled to Home Office support and accommodation. Of the small number of cases which had finished by the end of the evaluation, all those advised by Praxis had achieved a positive result. At least one referrer reported their belief that cases housed and advised by Praxis got results quicker than others they placed.
- **Support, move on and sharing:** A holistic support package provided by one organisation was invaluable, and more intensive resettlement support was sometimes provided to move on, which was valued. Many residents interviewed talked about time in the project as more like a temporary reprieve as they moved on to poorer accommodation with less support. The project focused on building resilience which enabled many to cope better with this, as did the much appreciated Praxis group work. Sharing has enabled some important friendships, but the mixing of households with children and single people does require an investment of time and thought into safeguarding.

Learning about management, financial and costing issues

- The pilot phase involved many changes and adjustments but by year three there was more stability and confidence. By the end of the pilot the project was making a small surplus although this relies on external funding for some aspects of the services to non S.17 cases, including immigration advice, a rent subsidy from Commonweal and use of an additional house at below market rent. The model is needed, can be delivered successfully and is replicable, and Praxis is planning on some expansion, based on a continuing market for the service and interest from local authorities. This last is based on the value for money offered by good quality accommodation, better outcomes for families, reduced burdens on council staff and the greater likelihood of a positive decision arrived at more quickly as a result of Praxis' input, which means that the period families needed to be supported in Praxis accommodation was shorter than in other provision.
- The expenditure project budget was made up of: housing management (28%), supporter supplied house (3%), overheads (12%), bespoke support and advice (27%), yield to investors (30%). This was balanced by an income which derived from rental from local authorities (88%), Commonweal subsidy (10%) and 2% contribution from Praxis.

The break-even position thus involved significant levels of subsidy as the rent paid by Praxis to Commonweal is £32,000 less than the return to investors, with Commonweal making up the shortfall.

- If Praxis were to rent the properties on the open market the rent would be in the region of £126,000 per year – almost double the amount Praxis is paying Commonweal and around £30,000 more than the annual return to investors. This indicates that this type of project would be unviable for outer London at market rents.

Learning about replicability

- **Other models of housing provision for destitute migrants** exist but comparisons are difficult across different housing markets, types of residents, and property offers. Most other models explored in this report focus on the needs of destitute asylum seekers and refugees in housing need but with recourse to public funds; a few of these rely on higher, 'exempt' rates of housing benefit.
- **A range of risks are presented by the policy context:** the levels of flux in key policy areas – housing and immigration – may affect the costs, processes and income of this or similar projects. Exempt housing benefit is under review, new licensing rules affect charities like Praxis but not housing associations, provisions in the 2016 Immigration Act not yet in force may both affect access to support for asylum seeking families whose claims have been unsuccessful and potentially make the Home Office the 'gatekeeper' for S.17 families needing local authority support.
- **Risks inherent in the model:** One of Praxis' 8 properties was provided by a supportive landlord, but has now been decanted to do major works, which illustrates the potential problems in planning and sustainability caused by such donations. More formal arrangements may offer more stability. Other significant risks were managed effectively within the project, including those posed by residents, the problems they brought with them and the safeguarding issues inherent in sharing, and form part of the narrative of this report.
- **Sufficient learning is available** to recommend replication of the model by other organisations and /or its adaptation to best meet their local circumstances.
- **Elements of successful replication** will include engaging with local authorities (if S.17 clients are to be accommodated) to identify the specific needs of families in their area and gear up to meet these, including putting robust safeguarding policies and procedures in place and being clear what proportion and type of the families in need they can accommodate. There are lessons about other ways of delivering the model involving the delivery of bedspaces for single destitute migrants with income from other groups as well as making significant contributions to their organisation's core costs and overheads. This is covered in a case study in the full report.
- **Existing housing providers** (including housing associations) may be able to hit the ground running in terms of housing management and deliver the model more cheaply because of the scale of their operations, available housing stock and expertise. The rent levels paid by Praxis would be viable for social landlords. However, they may need a partner to provide the immigration advice without which pathways out of destitution are simply not possible.

We hope this report may inspire providers of housing and support to single destitute migrants to explore the potential for meeting the needs of families, in particular those accommodated by local authorities under S.17, both as a way of turning their considerable expertise into an income stream and because these families are currently often ill served by what is available. It may also be possible that immigration advice and migrant support projects, frustrated at the lack of housing options for their clients – as Praxis was when it started talking to Commonweal about development of this pilot – will learn how they too can establish a housing project or seek a partner to do so armed with the Commonweal/Praxis experience to help bring people on board.



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